CONFLICT VULNERABILITY IN A "POST-CONFLICT" COUNTRY: USAID ASSESSMENT IN GUATEMALA, 2002

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A. EXECUTIVE SUMMARY

In March 2002, USAID/DCHA carried out a Conflict Vulnerability Assessment in Guatemala at the request of the USAID Mission. The study's objective was threefold: 1) Identify the most serious sources of conflict in the country that could lead to future violence; 2) Analyze and present possible scenarios in the short, medium, and long term that might trigger a resurgence of violence; and 3) Present recommendations for mitigating actions to be taken by USAID to be integrated into its new strategy. Over the past four years, USAID Guatemala has implemented a strategy of support to the peace process and is currently designing a new strategy for 2004 to 2008.

The Team was provided with information on the current program, as well as the January 2002 Parameters Paper -- the basis on which the new strategy is to be designed. The Mission requested that the Team review current activities and future plans, and provide conclusions and recommendations in the area of conflict prevention and resolution. Applying a *Framework for Conflict Analysis*, the Team developed six scenarios for violent conflict in Guatemala, collected information from interviewees and other sources, and then evaluated the risk of conflict over the next five years. Below are our conclusions, and recommendations formulated for consideration by the Mission.

1. Summary of Conclusions

Even with a stagnant peace process, Guatemala is unlikely to see a return to armed conflict over the next five years, given the fatigue with armed struggle and the disappearance of organizations promoting violent strategies aimed at toppling the state. While massive violence is unlikely, low intensity violence linked to crime, local land conflicts, and discord among elites will continue and could worsen over the next five years if attempts to strengthen key institutions and law enforcement are unsuccessful. This elevated risk of organized criminal violence is connected to Guatemala's importance as a transit country for illicit drug and contraband flow into the United States and other destinations.

Local conflicts over resources, particularly land, will continue over the next five years, as traditional inequalities are exacerbated by dire conditions in rural areas. The aggressive application of laws with important social and economic consequences carries the risk of fueling sporadic land conflicts, as in the attempts by authorities to enforce protected areas. There was no evidence that USAID support for reforms had fueled violent conflict, though its assistance in places like the Petén could have prodded government actions that had the unintended consequence of triggering rows with authorities in protected areas. In some instances, USAID's support for technical studies to help resolve land conflicts might also have fueled tensions among local communities.

Uncertainty surrounding the upcoming electoral process was seen by some as a possible trigger to an outbreak of violence, but there is little evidence that fraud is more likely in the next elections than in previous contests, or that certain actors would not abide by an adverse outcome. In fact, the likelihood of a coup has diminished over the decade since the *Serranazo* in 1993, despite coup rumors in 2001.

A significant risk factor in the Guatemalan context is a weak state relative to growing citizen expectations. Sluggishly reconstituting itself and on a reform path with indications of fiscal recovery, the state has nonetheless suffered setbacks due to corruption, inertia and resource shortages. That weakens the state's capacity to mediate tensions that might erupt into violent conflict and to attend to citizen demands. Even were the state to assume a more proactive role, an aggressive push to implement specific reforms carries the inherent risk of stirring up a backlash among elites committed to thwarting reform, particularly those elites that do not currently have control of the government.

2. Recommendations

The USAID program already addresses some underlying grievances and institutional deficiencies that could contribute to potential violence in Guatemala. This is not accidental; the current strategy was intended to support the peace process and has met with successes in this regard. Mission activities that could have a long-term conflict-preventive impact are of recent vintage, yet have yielded encouraging results. These factors suggest the USAID program of supporting the peace process is on the right track in addressing conflict prevention. We believe, therefore, that USAID/Guatemala *should not jettison key elements of its support for the peace accords that have yet to be fully implemented.*

Nevertheless, the Mission could modify its program in ways that enhance conflict prevention without detracting from other priorities. To that end, we present a list of recommendations, followed by a discussion of implementation options and organized according to priority from highest to lowest. The priorities flow from the conflict scenario risk rankings developed. As such, they are focused only on the two scenarios deemed to be of highest risk. These recommendations are intended to help the Mission in its decision-making process, recognizing that programming is constrained by multiple factors and that the Mission must decide its own funding priorities. The following is a summary of the recommendations detailed in Section G.

Priority 1 Recommendations.
We consider these recommendations to be the highest priority items. These items should be included in the new strategy if the Mission is to address conflict vulnerability.

1. Integrate crime prevention and personal security concerns in the USAID/Guatemala strategy 2004-2008, embracing both a community and an institutional approach, and begin groundwork now. Spearhead a multi-donor effort to build a constituency for *democratic policing*; i.e., the strengthening of law enforcement and criminal justice systems within a democratic society, including information management and policy coordination at the national level, stronger disciplinary mechanisms within the police force, and nuts-and-bolts enforcement carried out by trained police forces at the community level.

2. Fortify land conflict resolution mechanisms and titling efforts, and particularly the institutional capacity of institutions such as CONTIERRA to manage increasing citizen demands to resolve land disputes and invasions. Capacity strengthening is a means to an end; it *must be tied to the performance of authorities* in their ability to adjudicate and resolve land conflicts that run the risk of degenerating into violence.

Priority 2 Recommendations
We consider these recommendations to be the second highest priority items in addressing the issue of conflict vulnerability. The Mission should integrate these recommendations into the new strategy, but not at the expense of Priority 1 recommendations.

3. Target income/job creation activities for high-risk populations designed not only to raise rural incomes in the areas hard-hit by the coffee slump, but also to support both public and private efforts to generate economic development in *urban* areas, particularly those that have been overrun by youth gangs.

4. Capitalize on the Mission's comparative substantive and geographic advantage by adding a new conflict awareness/management component to existing activities in key local communities.

5. Explore existing models of conflict early warning systems to monitor and prevent conflicts at the local and national levels and evaluate the potential for establishing such a system in Guatemala.

6. Continue support for local mediation centers to expand their work and develop methods to sustain them. Consider support to create additional independent conflict centers or mediation centers to provide coordination among and training for mediators.

7. Support the dissemination of regional best practices in police and law enforcement reforms across Central America, exploring approaches to improve regional coordination to address international crime and the root causes of conflict through diplomatic and program cooperation. Investigate whether a regional, G-CAP-led effort to address crime and conflict is viable. USAID/Washington should take the lead in developing and authorizing such an approach.

Priority 3 Recommendations

These recommendations are the third highest priority items. If the Mission is committed to shifting additional resources to address the issue of conflict vulnerability, it could consider implementing these recommendations, though not at the expense of the Priority 1 and Priority 2 recommendations.

8. Evaluate program models for individual development and job training that could be expanded to target youth specifically at risk for entering into illegal activities.

9. Support early electoral support efforts and monitoring of the electoral process to reduce the possibility of any election-related violence.

10. Assert leadership to orient and coordinate international or regional donor efforts to address conflict, crime and violence reduction.

B. INTRODUCTION

1. Objective

In March 2002, USAID/DCHA carried out a Conflict Vulnerability Assessment (CVA) in Guatemala at the request of the Mission. The study's objective was threefold: Identify the most serious sources of conflict and tension in the country that could lead to future violent conflict and political instability; Analyze and present possible scenarios in the short, medium, and long term that might trigger a resurgence of violence; and Present specific recommendations for mitigating actions to be taken by USAID to be integrated into its new strategy design.

Over the past four years, USAID Guatemala has implemented a strategy of support to the peace process and is designing a new strategy for the period 2004-2008. In the scope of work (SOW) for this study, the Mission acknowledged the importance of integrating conflict prevention, negotiation, and resolution into the new strategy. It also highlighted its engagement in activities either directly or indirectly working in conflict prevention or resolution.

Predicting violent conflicts with complete accuracy is not possible, but prudence dictates that donors use warning tools to hazard educated guesses about conflict risk and adopt preventive measures as they pursue their core development goals. USAID/W is currently field-testing such a method for both analytic and programmatic utility. For its part, USAID/Guatemala identified a need for two sets of recommendations, one for the remainder of the current strategy, another for consideration during the planning of the new strategy from 2004 to 2008. The Team was provided with information on the Mission's current program, as well as a January 2002 Parameters Paper, the basis on which the new strategy is to be designed. Both documents were the starting point for our recommendations in Section G.

A summary for both periods is as follows:

Current Program (1997-2003)
Goal: Consolidate Peace and Reduce Rural Poverty in Guatemala

- I. Support the implementation of the Peace Accords
- II. More inclusive and responsive democracy
- III. Better educated rural society
- IV. Better health for women and children
- V. Increased rural household income and food security
- VI. Improved natural resource management and conservation of bio-diversity

New Parameters – Proposed program areas (2004-2008)
Goal: Shared Prosperity and Capable Governance

- I. Promote Increased Rural Incomes, Employment and Food Security
  - A. Small producer productivity/sustainable development
  - B. Rural investment and market access
  - C. Workforce development initiatives
  - D. Basic education policy
- II. Support Measures that Promote Healthy Citizens
  - A. Family health: reproductive health and child health, including nutrition and immunization
  - B. HIV/AIDS prevention
- III. Foster Good Governance
  - A. Respect for the rule of law
  - B. Checks and balances/accountability
  - C. Effective local government

2. Technical Approach & Method

Framework: The USAID *Framework for Conflict Analysis*, the touchstone for this study, is an approach that synthesizes propositions about how multiple factors may interact to produce or sustain violence. The Framework affords flexibility to the analyst in selecting methods for collecting and analyzing data or calibrating methods to levels of effort. It presents five overlapping clusters of causation, culled from the literature, that serve as a departure point for probing the magnitude of factors and according them weights.

1. Root causes, which include "greed" and grievances that create tensions within society or resentment against the state, including competition among ethnic, religious and other groups, inequalities in wealth and land, economic forces that generate social effects, resource battles and migration. Whether grievances transform into violence depends on mobilization opportunities, the capacity of groups to overcome barriers to collective action and harness money, manpower, arms and other resources to a strategy that includes violence.

2. Factors that facilitate the mobilization and expansion of violence. Mobilization opportunities hinge on the availability of *conflict resources* (commodities, money, arms, people, etc.) as well as state capacity or the ability of institutions to address root conflict causes, manage pressures that generate conflict, or mediate among adversaries.

3. Political and institutional factors, which depend on control over territory and borders, the ability to raise revenue, maintain infrastructure, provide services, and implement and enforce laws.

4. Regional and international causes are also critical, from the "bad neighborhood" effect (where a neighboring country's ongoing conflict increases the risk of violence), to cross-border or large internal population movements, to international organized crime, to organizations or states that have leverage over domestic institutions.

5. Windows of vulnerability are understood as events that serve as proximal causes of conflict, such as acts of repression, rights violations, sudden economic changes (shocks, adjustments) and elite politics, flawed or fraudulent elections, the implementation of controversial policies, and natural disasters.

Seldom considered as a trigger to conflict but relevant to countries stalled on a reform path is the implementation of controversial laws with socioeconomic repercussions. Pushes to enact reforms, however desirable from a democratic standpoint, can provoke violent reactions by groups aiming to thwart reform. Government *inertia* may also feed discontent that spurs mass violent confrontations – a weak and uncoordinated response to a national disaster, for example. But it is prudent for USAID to consider ways in which modes of implementation of controversial reform measures could detonate conflict.

Data Collection: A scenario development exercise comprising six conflict scenarios guided our data collection. It compelled interviewees to consider conflict risk, weigh causes, and think through interactions that could lead to violence. These scenarios were intended to be distinguishable according to perpetrators, targets, and intensity. They were *not* conceived as mutually exclusive categories. Spillover between these types is not only possible but likely, in that they share causes, dynamics and actors in common. Interviewees were asked to rate the risk for each scenario, as well as to describe the trend over the next five years. In their simplest formulation, each scenario included but was not limited to the following questions:

- Is conflict risk present and to what degree?
  - Risk (Low, Medium, High)
- Is conflict risk likely to increase, decrease, or stay the same over 5-years?

- Trend ($\Uparrow \Leftrightarrow \Downarrow$)

If prodding experts to hazard predictions induces responses that accentuate the negative and inflate conflict risk, this might be considered an acceptable tradeoff. It is better to err on the side of false alarms when adopting a preventive approach. Responses were analyzed by scenario according to projected risk and trend. Once scenarios were identified, respondents were prompted to elaborate the causes and describe their interaction in a hypothetical sequence yielding conflict. Because this is a *data collection technique*, not a method of gauging conflict vulnerability, we used complementary techniques to generate or verify findings, such as issue interviews aimed at recurrent themes.

Sampling & Sub-National Analysis

Our interview sample covered expertise in a variety of disciplines. We interviewed around 70 experts (in a universe of perhaps 500) whose knowledge covered specialties ranging from history and politics to economic, social and demographic issues to land tenure and military doctrine. The sample included male and female public officials, retired and active duty military and police, representatives of the media, non-governmental organizations, and business associations. The sample was ethnically mixed and stratified into urban and rural respondents.

Our sub-national sample was drawn from two regions: the Petén, the expanse of land sandwiched between the Belize and Mexico borders, and the highland departments of Quiché and Huehuetenango. These regions differ in respects that are useful for analysis. Analyzing conflict vulnerability at the sub-national level serves several purposes. First, localized conflicts are more likely than generalized conflicts, which merits greater attention to local conditions which may produce such confrontations. Second, USAID supports activities at the local level intended to have both local and national impact. Whether local programs also have repercussions for national vulnerability to violence is useful to know. Sub-national analysis also allowed us to explore regional interventions or modifications to the geographic scope of the strategy. Third, conflict vulnerability is variable across national territory, with implications to be explored in the analysis.

C. BACKGROUND

1. Post-Conflict Guatemala

If Guatemala is considered a 'post-conflict' society it is with some justification. Peace Accords signed in 1996 ended four brutal decades of armed conflict that claimed some 200,000 lives. Five years later, that process is at a standstill, but widely supported by most Guatemalans and international actors. If fully implemented, the accords could ameliorate deep-seated inequities that long bred discontent in Guatemala, but the government and other stakeholders appear unwilling to implement the accords, and with increasing budgetary pressures and high levels of corruption, societal expectations are low. Despite a prevailing public pessimism in Guatemala, it is hard to ignore the advances made since the peace accords were signed. Reforms over the last five years have dismantled features of the military-dominated state and created a civilian police to maintain internal security. Evolving participatory processes afford civil society the opportunity to recover and develop into a force for change.

Post conflict Guatemala is not immune to violence, however. The syndrome of inequality, poverty and exclusion that fueled armed conflict decades ago has been only marginally improved by the steps taken to implement the accords. Despite transformations in civil-military relations, the centaur state retains many of its essential characteristics. Perpetrators of mass killings have escaped punishment, while their architects hold power or wield power behind the scenes. Weak economic performance has yet to generate a peace dividend, leaving youth struggling to find opportunities in an economy bereft of jobs and inundated with crime. That unemployed youth often turn to crime is no surprise.

Rural areas hit by falling coffee prices have seen worsening land conflicts as local populations increasingly resort to invasions to cultivate crops for subsistence, or to vigilante justice to settle scores. Murder, assault, kidnapping and robbery are on the rise in urban areas, while organized crime, drug smuggling and gang violence have proliferated along with small weapons. A weak justice system allows criminals to go unpunished. Authority is scarce in rural areas, where small conflicts are prevalent and police presence weak. The fact that international actors are reducing their country commitments may also have conflict repercussions. MINUGUA, which maintained a key presence in rural areas and played a role in conflict prevention and mediation, will depart in 2003. There are no indications that the state is prepared to fill the void created by MINUGUA's absence and assume this role.

In summary, post-conflict Guatemala may be ripe for new violent conflicts. This report addresses that issue in five sections. The remainder of this section describes the scenarios tested during the interview process. The second section filters the Guatemalan context through the *Framework* and identifies possible causal and mitigating factors. The third section examines the findings from the scenario exercise and uses those findings to evaluate conflict risk over five years. It examines two regional cases and compares conditions across departments to probe regional variance in vulnerability. The fourth section describes our conclusions. Based on those conclusions, the fifth section offers recommendations for USAID Guatemala as it develops programming approaches in the short and long term.

2. Scenario Descriptions

The conflict scenarios are not intended to catalogue all factors that could affect conflict dynamics. Rather, they describe the likeliest flash points over the next five years, were conflicts to occur. Each scenario was used to generate an inventory of factors that would tend to increase or reduce conflict risk (drivers, inhibitors), as well as events that could precipitate outbreaks of violence (triggers). During data collection, these factors were probed and weighted. As we stress throughout, these scenarios are not exclusive but interrelated and may coincide. Considered likely was a "hybrid" outcome in which two or more related scenarios occur simultaneously. The scenarios are summarized below.

Scenario 1: Resurgence of Armed Conflict

After years of raising expectations beyond the government's capacity to fulfill, the peace process breaks down, as land equity issues and an export sector plagued by slumping prices fuels discontent in rural areas that precipitates localized violence against authorities. Demobilized combatants deprived of opportunities in a stagnant rural economy (e.g., the former civil patrollers or PAC) coalesce with other groups to become involved in the settling of scores in local conflicts over territory and other issues.

Scenario 2: Escalation of Criminal Violence

Organized criminal violence reaches destabilizing proportions. This is violence perpetrated by civilians against civilians, not by the state against guerrillas or vice versa; not under the guise of war but facilitated by the failure of state institutions. Another distinction between this scenario and armed conflict is the absence of a guiding ideology or strategy for achieving power. Perpetrators are individuals or criminal gangs without aspirations to state power, but with links to the security sector and the potential to "highjack" sectors of the state.

Scenario 3: Sustained, Violent Mass Protest

Disenchantment with the government's failure to enact reform yields sustained (over a period of days) mass mobilizations, protests, strikes or riots, triggered by some event: corruption scandals, fraudulent elections, acts of repression, human rights violations or economic adjustments. Protests may be peaceful but provoked to violence, but the goal is to vent public frustration and pressure incumbents to effect changes in policy or government in response to a crisis of governance or legitimacy. Weak parties and electoral volatility make such confrontation more likely. Economic factors also play a role -- not long term economic structures, but changes that deliver short, sharp shocks to the population, like inflation, currency adjustments or spending cuts. This scenario is likelier to occur in urban areas where protests attract crowds and media.

Scenario 4: Sustained, Local Violence between Groups

Violence perpetrated by one group against another within or between rural communities over access to resources and the right to use them intensifies to the point where it becomes sustained, rather than sporadic. Sluggish reform that has yet to change Guatemala's skewed land distribution, discrepancies in land ownership, access, particularly in highlands areas with high indigenous populations could ignite conflicts that are more difficult to mediate, and for which there are no clear individuals or organizations tasked and trained to mediate such conflicts to encounter a long-term solution.

Scenario 5: Violent, Elite Power Struggle

Violence perpetrated by organized elites groups possibly connected to sectors of the deactivated or private security establishment and allied with business interests sharply escalates over the next five years. This is violence motivated more by greed than grievance; to maintain power in the face of perceived threats, or preserve economic prerogatives by fomenting violence. It could also include coup attempts. The rising risk of intra-elite violence may be related to the waning influence of oligarchs and the military in national politics. Guatemala exhibited these tendencies over the last decade, from the *autogolpe*, to collaboration between private security forces and business interests, and selective strong-arm tactics and death squad activity. This scenario envisions closer ties between former counterinsurgency and organized criminal organizations.

Scenario 6: Muddling Through

The above scenarios are predicated on a linear extrapolation from observable trends. This considers the possibility that the status quo will persist, that conflict vulnerability will remain much the same over five years. "Muddling" is not stasis. It rather projects more of the same dynamics that characterize the current situation: continuing small-scale, localized violent episodes in some areas, but neither major conflagrations in those areas, nor an expansion of conflict beyond. This will be considered the baseline scenario.

D. ANALYSIS

This section examines Guatemala's conflict vulnerability in terms of the Framework developed by USAID/Washington. The Framework divides factors into five analytic categories: root causes, state capacity, mobilization factors, external factors and "windows of vulnerability." Each of the factors was probed in the qualitative data collection effort and scenario development exercises in order to yield the findings detailed in the next section.

1. Root Causes (Greed and Grievance)

The grievances of developing rural societies are acute in Guatemala, due to its historically severe inequality and political exclusion. Two-thirds of the population still lives in rural areas, nearly 40% involved in agriculture, generating a quarter of GDP through the production of traditional exports, primarily coffee and sugar. Agribusiness generates most jobs,[1] but salaries earned from farm employment are insufficient to cover basic needs,[2] with the result that Guatemala is among the region's poorest countries. Two thirds of its people live below the poverty line, a fourth in extreme poverty. Guatemala's jobless rate is around 49%, and the economy's incapacity to generate employment forces many to work informally or migrate internally or to other countries in search of opportunities. Dire economic conditions have resulted in a critical food shortage in certain areas of the country, exacerbated by climatic conditions hampering food production.

Guatemala remains among the most inequitable societies in the Americas, ranking second to Brazil in income inequality and near the top in disparity in land ownership and access.[3] Its fiscal policy is regressive compared to other countries in the region, with lower income earners shouldering a disproportionate share of taxes. Partly as a result of poor revenue collection, public spending is constrained, as is investment in education, health, housing, and social infrastructure – spending that disproportionately affects rural populations. Social spending has been sacrificed in favor of continued support to the military.

Compounding inequities in income and land is the country's bitter history of ethnic exclusion and discrimination. Indigenous people face racial, ethnic and cultural discrimination despite the various accords on indigenous rights. Most of the country's Mayan indigenous population, which accounts for nearly half the country's total population, lives in extreme poverty and has little or no voice in government. Guatemala's 10 poorest districts have the highest indigenous populations, and of Guatemala's 556,000 children between ages 7 and 14 who do not attend school, 62.3 percent are indigenous. Only 14 percent of the country's police officers are indigenous, and indigenous people make up 56 percent of the army although few have risen from the lower ranks

Sporadic confrontations over land in rural zones also obstruct rural development. The Accords created an institution to mediate and facilitate legal solutions for multiparty disputes, the *Dependencia Presidencial de Asistancia Legal y Resolución de Conflictos Sobre la Tierra* (CONTIERRA). From its creation to 2001, CONTIERRA registered 1,444 cases, 600 of which have been resolved and 844 are in the process of resolution. Land conflicts vary regionally in number and kind. Five northern departments account for

[1] 900,000 direct and more than 2.3 million indirect employees.

[2] The minimum wage for agricultural activity (Q 27.50 for an eight-hour day plus an incentive of Q 5.38). Most workers receive less than the payment to which they are entitled. Underpayment is extreme in rural areas. Laborers often receive no more than Q2 per day. *Propuesta de Desarrollo Rural*, Coordinadora Nacional de Organizaciones Campesinas (CNOC). January 2002. p.8.

[3] Income inequality: Guatemala's Gini index of 59.6 percent, compared to 60.1 percent for Brazil. Only 15% of landowners hold 70% of the land dedicated to the production export products. As little as 4% of the owners own 10% of land oriented to the production of non-traditional products, 96% of producers possess 20% of the productive areas. Most peasants own or work lands that produce for subsistence

79% of land conflicts nationally.[4] Despite its resolve, CONTIERRA's wherewithal to resolve land tenure disputes is limited. This gap between demand for satisfaction of land disputes and CONTIERRA's service delivery capacity may accentuate frustrations in rural areas that have so far seen localized disputes. CONTIERRA opened five regional offices, but the agency lacks the personnel and capacity to deal with all land conflicts, with the result that a small part of registered land conflicts are resolved.

With respect to land ownership or access demanded by peasant organizations, advances include the suppression of the National Institute of Agrarian Transformation (INTA), a source of corruption and delay for the attention to petitions of the target population. The financial mediation agency that gives *campesino* groups the chance to acquire lands, the *Fondo de Tierras* (FONTIERRAS) has neither the budget nor the capacity to meet the demands of the *campesinos* for land, which continues to be the main income generating alternative open to rural Guatemalans. The collapse in coffee prices has left many Guatemalans who earned modest incomes from migratory farm work with few options, creating even greater demand for land.

Land tenure and access issues are only part of what has stunted rural development. A shortage of investment capital coupled with the centralization in urban areas of services, opportunities, and decision authority -- all of these factors thwart improvement in rural conditions as well. The Socioeconomic and Agrarian Situation Accord foresaw that changing land tenure and use would mean incorporating the population in development initiatives. That would be achieved by a redirecting of state resources to rural areas to foment rural modernization. However, the government has yet to present a rural development policy and back it up with a consensus, despite the fact that various sectors of society (peasant movements, private sector and church) have each developed their own.

Whether small-scale violent land conflicts are more frequent now than, say, a decade ago was hard to conclude absent reliable data. MINUGUA reports that in 2001 there were 209 new conflicts involving communities, groups and municipalities.[5] Early 2002 saw an increase in land conflicts in which the perpetrators used violence. Reported invasions involved squatters in twenty estates, both private and public. The rise in invasions is partly due to inability of institutions to meet land demands combined with worsening economic crisis caused by falling export prices. Peasant groups have mounted peaceful demonstrations in protest of state inaction. In 1999, several thousand marched to Guatemala City to protest lack of progress in issuing land titles and enforcing labor rights. Demonstrators numbered many times that of a previous protest in 1997. Still pending are key aspects of land reform, such as the legal framework for land tenure accessible to the whole population, the creation of a unit dedicated to the agrarian question within the judicial branch, etc. The Cadastre (official land register) is still in its initial phase. It has not yet received government funding needed to match World Bank funding.

The panorama is complicated by the Accord on Identity and Indigenous Peoples' Rights, which created *Comisiones Paritarias* to address a wide variety of issues. Despite the fanfare that accompanied their formation, these commissions have produced few concrete results in an atmosphere of high expectations. The splintering of COPMAGUA, a coalition of indigenous groups whose formation was seen as an important step in increasing recognition of indigenous issues, moreover, has debilitated the movement pushing for indigenous rights. With no reliable voice and organization, advances in indigenous rights have stalled, reinforcing the contention that officials are balking at altering land tenure or promoting inclusion despite the many rhetorical references to indigenous rights. Discrimination thus continues to be a major issue in Guatemala, with the indigenous receiving only a fraction of the resources and services offered by the state. Complicating the situation yet further is gender discrimination, in both indigenous and ladino communities alike. While women have not traditionally been active participants in violent conflicts, they play a role in conflict prevention at the community level.

[4] Concluding that these departments are more conflictive is misleading, however, since the figures reflect disputes in which parties sought mediation, hardly harmful from a conflict perspective.

[5] MINUGUA, *Los Conflictos en Guatemala: Un reto para la sociedad y el estado*. Feb. 2001.

Unemployment has been shown increases susceptibility to violent conflict, specifically joblessness among the 15-24 year old cohort. Guatemala's Central Bank collects data since on general employment trends, the most dramatic of which is a decline in formal agricultural employment, especially among the youth cohort.[6] Falling rural wages spurred by a drop in export prices have reduced agricultural employment among rural youth, accelerating internal migration, which in turn has implications for conflict vulnerability: a migratory youth cohort deprived of opportunities in an economy suffused with criminal activity is conducive to the growth of gangs. [Annex B]

2. Institutional Issues (State Capacity)

Because there is no direct line from poverty or inequality to violence, the Framework examines the interaction between these root causes and institutions that mediate or fail to mediate tensions that lead to violence. Key advances since the accords in this regard include the establishment of civilian control over the military and the creation of new channels of participation for Guatemalan citizens. These advances notwithstanding, state institutions in Guatemala are weak (and in many ways weaker than they were two decades ago), relative to those of its neighbors and compared with its own society's demands for public goods and services. The state has begun to fill the vacuum left by military and other armed groups at the end of the war and assume responsibilities of governance, but the process is slow and progress limited.

A concept on which the Framework places great emphasis is state capacity. States are weak or strong relative to other states, to the societies they govern, to different points in time. State strength varies over time depending on the public finances and other factors, across the national territory, as well as in functional areas such as law enforcement. Guatemala's historically frail state has exercised only a tenuous territorial control that grew more pronounced during armed conflict. Although the mismatch between citizen demands and the ability of institutions to satisfy those demands is the norm in developing countries, Guatemala's situation is unique in the degree to which state's capacity lags behind expectations raised by the peace process.[7]

Public finances are master indicators of state capacity. States that extract revenues and spend resources effectively tend to be less vulnerable to violent conflict. Although historically abysmal revenue collection has limited the Guatemalan state's capacity to carry out basic functions, tax collection has improved over the last five years, a fact that is overlooked because the gains so far still fall short of peace accord targets.[8] The fiscal recovery is due to policy changes in addition to better tax administration by the Superintendent for Tax Administration (SAT), considered one of the more efficient state institutions.[9] Import revenues grew by 14%, indicating some strides in reducing corruption at customs offices, though the state is still dependent on import taxes to compensate for a small base of personal and corporate taxpayers.[10]

Guatemalan governments have been less than fiscally restrained, with spasms of spending during election cycles.[11] Recently, there has been progress toward developing a spending strategy that stays within international financial guidelines. The Fiscal Pact would require the deficit be held to 1%, but the government

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[6] These statistics refer only to individuals registered with the Social Security Institute, formal sector workers, thus presenting an incomplete glimpse of the employment panorama, as much of Guatemala is engaged in informal work.

[7] The UNDP captured this contradiction, noting that the state "can no longer repress but is yet incapable of imparting legitimacy to its domination, given its inherent difficulty in acting effectively and in asserting its presence throughout the national territory." UNDP Conflict Report (2002).

[8] Revenue has risen since 1994 (7% of GDP); it jumped to 9.5% in 2000 and to 10% in 2001 (12% is the target). World Bank World Development Indicators.

[9] The value-added tax rate was raised in August 2001 from 10% to 12% and revenue will rise from this reform as it did following tax laws passed in 2000, including the Impuesto Sobre la Renta (ISR). MINUGUA (2001). *Informe de Verfificación: El Pacto Fiscal*. p. 16.

[10] EIU Country Report, Guatemala. 2001. p. 19.

[11] The deficit climbed to 2.9% of GDP in 1999 prior to the last elections.

is aiming a 2% deficit, having relaxed discipline to raise public sector salaries, finance debt restructuring and support key ministries. A fiscal recovery could permit spending at levels aimed at fixing institutional weaknesses in ways that enhance public order. It may allow for increased social spending or spending aimed at generating short-term employment. Such spending could have a salutary effect on conflict vulnerability, but is low and decreasing in real terms. [Annex B]

Fiscal improvement aside, executive institutions remain weak in Guatemala. The civil service career track is still nascent and there is a high turnover of government personnel. The creation of a state planning agency, SEGEPLAN, has not helped the government to overcome basic intra-governmental coordination problems and develop effective long term planning mechanisms. A main impediment to executive branch functioning is a deep and pervasive corruption. The 2001 Transparency International survey ranked Guatemala among the 20 most corrupt countries in its global sample, in the company of countries such as Senegal and Zimbabwe.[12] Over the last two years, corruption scandals at all levels of government have inundated the media. Both the Ministry of Finance and the Tax Administration (SAT) were linked to an automobile scam, while the Ministry of Interior was investigated for an embezzlement scheme that allegedly transferred $11 million in government assets to slush funds.[13] These are but two of the scores of recent scandals which have had a cumulative effect in weakening confidence in institutions.

Justice institutions, mainly the Judicial Branch and the Public Ministry, are singularly weak relative to a rising crime phenomenon, by no means a phenomenon unique to Guatemala. To be sure, there have been advances from the 1980s, when the military dominated the judiciary in a punitive apparatus that tended to resolve disputes through violent, extra-judicial procedures. The Accords sought to modernize the judicial system and promote the adjudication of conflicts based on a respect for human rights and due process. A criminal procedure code was approved that introduced open public proceedings. Investigative and prosecutorial functions were dispatched to the Public Ministry, access to justice for the indigenous was improved.

Yet the justice system's dilemmas are too severe to have reversed in the two decades since the democratic transition. Judicial operation has been historically subordinated to the executive, military and economic factions. Its continuing weakness is rooted in the centralization of the courts, scarce technical and financial resources, poor training of personnel, lack of coordination and obsolete procedures. Prosecutors, judges, investigators, and witnesses are still subject to intimidation in investigative and prosecutorial procedures.[14] Fear that punishing those responsible for mass killings during the war will trigger a backlash of revenge killing is still pervasive.[15] The Public Ministry, for its part, has limited resources and shows a conspicuous reluctance to launch judicial proceedings against officials implicated in corruption scandals.

If Guatemala's justice system is overwhelmed by criminal activity, there is a consensus on the need for justice strengthening. USAID-supported justice centers, which coordinate prosecutors, public defenders, police, attorneys, and local groups and provide dispute resolution services throughout the country have had some impact. But they are insufficient to rectify gross imbalances between demands placed on the justice system and its ability to respond. Case backlogs persist for those able to access the courts, despite improvements in case management. Inadequacies in the penal system are glaring, from facility shortages and overpopulation, to installations deprived of resources, poorly trained personnel, rampant corruption -- factors that have led to a rash of mutinies and escapes.

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12 Corruption Perceptions Index. http://www.transparency.org/cpi/2001/cpi2001.html

13 President Portillo recently asked for international assistance for a national anti-corruption campaign, using the "captured state" idiom to garner World Bank support.

14 A fourth of judges, 87% of prosecutors admitted they'd been pressured. Seider (2002), p. 35.

15 The trial of a former colonel and his accomplices for the murder of human rights activist Bishop Gerardi in 1998 was seen as a test case for whether senior figures would continue to enjoy immunity. Four men were convicted in July 2001.

The legislative-executive stalemate has stalled the reform agenda, a fact which is thought to raise the general level of societal discontent with the government. Laws are not implemented or they remain stalled in the Congress. Parties are weak, lacking their own budgets and any real link to the electorate, driven by personalities and elite interests. The capacity of parties to aggregate and channel citizens' demands into changes in policy is virtually non-existent. Parties are vehicles that permit elites to achieve their political and economic goals, though this fact hardly sets Guatemala apart from other countries at similar stages of democratic development. Overall, legal reforms are stalled by political blundering, such as the Fiscal Pact of 2000 which would modernize public spending and tax administration (only one of four laws has been approved). Although the Congress could be a mechanism for responding to citizens' demands and issues, and subsequently a vehicle for managing potential conflicts, it is dysfunctional and not representative.

Local governments remain weak despite new legislation aimed at decentralizing authority and resources to the municipal level in large measure because transfers to the subnational level are much less than the mandated amounts. Mayors and other local officials lack the capacity and local resources to respond to citizen demands for security, services and economic opportunity. Local level conflicts are likely to persist because of the sustained poverty in rural areas. Public demands on institutions outstrip the current capacity of local governments to respond, creating an environment where the government is less a mediator of conflict than a potential source. This situation is exacerbated by perceived and real corruption and by efforts of the elites to protect economic interests, with the consequence that most view the state as lacking mechanisms able to channel or respond to citizens' grievances and demands, eroding public confidence in institutions.[16]

Pivotal to Guatemala's transition has been a shift away from the army-dominated state apparatus that for decades served elite interests. The peace accords slashed the military in force and budget, reoriented its mission to external defense, disbanded public security agencies and formed a civilian police force. The military's grip on power has consequently weakened and civilian control tenuously but perceptibly strengthened over the last decade. *Golpista* tendencies in the military have subsided, despite coup rumors. The prevailing view is that military leaders no longer see a coup as viable or desirable as a means of achieving national or institutional interests. As the 1993 self-coup demonstrated, the military has little appetite for the public consternation and international isolation likely to ensue after a seizure of power from elected leaders.

These factors augur well for the continuity of a civilian regime, but the military reform process has been uneven. The change in army deployments has reduced military presence in areas that suffered human rights violations during the war, leaving vacuums of authority in areas formerly under military control. Civil authorities have been slow to deploy and maintain a weak presence in these areas; other areas are increasingly susceptible to control by criminal forces. Pockets of territory outside the reach of authority have multiplied over the last years. The accords called for abandoning the security doctrine under which the army performed counterinsurgency functions. But the delay in formulating a new military doctrine prevents the definition of guidelines for the organization, training and use of the armed forces, making it hard to adapt and deploy them in accord with changing conditions. The military continues to receive a lopsided share of the national budget, exceeding accord targets. The justification for the budget is that the military has taken on civilian responsibilities, such as policing and other governmental functions, including distributing fertilizer.

While armed conflict has disappeared, rising criminal and local armed confrontations have placed strain on a law enforcement system that is not up to the job. An epidemic of delinquency, homicide and rising

[16] The 2001 DIMS survey of citizen opinions about democratic processes found that no political institution garnered more than 50% of citizen confidence on a scale from 1-100. The highest scoring institutions were municipalities at 48%; the lowest, political parties at 30%.

organized crime – these phenomena are taxing a weak state's capacity to maintain order in urban areas. Meanwhile, the usual mix of poverty and exclusion coupled with a weak judicial system, low confidence in local authorities have prompted rural populations to take justice into their own hands. Lynchings are obvious examples of rural vigilante justice. So, too, are land conflicts that provoke violent invasions and evictions. There have been 400 such vigilante killings over the last five years, though reported numbers of such crimes are low and possibly declining.

Also on a rising trend is street crime, which has its roots in the weakening of the institutions charged with maintaining public order, as well as the precarious living conditions of people in urban and marginal areas. These factors have spurred increases in robberies and assaults, sexual and child abuse and youth violence perpetrated by gangs. The last decade has seen growth of professional groups dedicated to organized crime, headed by persons with a desire to attain socioeconomic advancement or hold onto power and privileges. These groups avail themselves of abundant human, technical and financial resources, and retain a capacity to penetrate the state, such as the justice sector and customs and maintain links with a network of international criminal organizations.

Guatemala has made strides in restructuring its police forces. Laws doubled police salaries, retrained agents and recruited and trained new agents. The establishment of a civilian police force was enshrined in the constitution, which made the police the only armed police entity with national jurisdiction responsible for "guaranteeing personal rights and freedoms, preventing, investigating and combating crime and maintaining public order and internal security."[17] A larger, better paid and prepared Civilian National Police (PNC) now has at least a minimal presence in most of the country. A Police Academy was created, which could strengthen the professional formation of cadets. Interagency coordination among the Judicial Branch, the Public Ministry and the PNC was improved, if only marginally, and civil society groups and academic institutions were afforded the chance to participate in the social auditing of law enforcement.

Police reform remains hampered by deficiencies in recruitment, training, leadership, and internal discipline, however. The historical subordination to the armed forces has yet to be overcome; police still lack control over arms and civilian intelligence, while military cadres occupy key ministerial posts. The mandate to increase uniformed police officers to 20,000 has been reached, but coverage is limited in rural and urban areas. The PNC's deficiencies are well known; from the recycling of officers from the old, army-dominated force to the dearth of trained recruits relative to veterans. Poor skills among officers, limited technical capacity, a lack of a community orientation – all these factors limit the PNC's effectiveness in fighting organized crime, which thrives amid this weak control.

Corrupt practices in the PNC have also come to light, as has the fact that internal mechanisms for investigating and disciplining police misconduct are wholly absent. The holdover agency from the *Policía Nacional* that nominally plays this role has no power to initiate investigations or bring sanctions against offending officers.[18] The lack of progress in preventing or punishing abuses and excesses committed by police officers makes it difficult for them to gain the population's trust and cooperation.[19] Local communities thus often view the PNC not as their protectors but as a menace or an occupation force, since local agents come mostly from outside the region. Mistrust of police partly accounts for the increasing altercations between local, mainly indigenous communities and the PNC in areas like the Petén.[20] Examples of effective local police forces under municipal control do exist, but they are few and far between.

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17 Articles 30 and 30(a) provided for a police and public security restructuring, expanded the police from 12,000 active officers to twice that by the end of 1999, and enlarged public spending on public security.

18 The Office of Professional Responsibility (ORP). *Byrne, Stanley and Garst (2000) "Rescuing Police Reform: A Challenge for the Guatemalan Government." Washington* Office on Latin America (WOLA). On the PNC: MINUGUA (2001) *La Policía Nacional Civil: Un Nuevo Modelo Policial en Construcción*.

19 MINUGUA (1999) Ninth Report on Human Rights. pp. 5-8.

20 Iinterview with police commissioner of Flores, Petén, Guatemala. March 2002.

One longstanding problem regarding the PNC is a lack of competent investigators. The government has tried to address this deficiency by forming a Criminal Investigative Service (SIC), but its growth has been stunted by a lack of resources and qualified personnel. Studies identified a need for 2,000 investigators, but the SIC currently employs only 500, most of whom have not been properly trained. Further undermining the SIC is the dysfunctional relationship between police and the Public Ministry (MP), which has its own investigative unit ("DICRI", an entity forged in the organic laws of the Public Ministry, prior to the creation of the SIC). Another area of concern is the intelligence services. President Portillo withdrew the presidential decree that created the separate DICAI (division of civilian intelligence), after organizations criticized its ill-defined features and weak civilian oversight. The delay in the DICAI's formation hampers interagency dexterity that might improve law enforcement's efforts to fight organized crime.

Police weakness has contributed to the creation of territorial pockets outside the purview of the authorities. These zones are growing in number and size. Armed gangs control of zones in Guatemala City, including Zone 18, the city's poorest zone, overrun by gangs. Gangs are responsible for the growing number of assaults on buses and robberies of banks and armored cars. For the period 1996-2001, the homicide rate in Guatemala was estimated at 40-50 per 100,000 inhabitants (depending on the method of computation), placing the country behind Colombia and El Salvador as the hemisphere's most violent countries.[21] Gun violence has prompted businesses invest greater resources in private security, which adds to product prices and forces the government to spend scarce public funds on citizen security, giving development shorter shrift.[22]

If criminality holds the seeds of a governance crisis that could undermine support for democracy, there is little evidence to corroborate that assertion. A recent DIMS study finds that number of Guatemalans who prefer democracy vis-à-vis other forms of government is in fact rising, and that there has been a decline in the numbers who prefer a strong hand over a participatory government.[23] Concluding facilely that discontent with elected government translates into the embrace of military regimes thus seems like a stretch.[24]

3. Mobilization of Resources

Institutional weaknesses create mobilization opportunities for individuals or groups bent on using violence to achieve political or economic objectives. Other mobilization factors exist independently of the capacity of institutions. They include a range of resources that allow groups to thrive and expand, even in societies with strong institutions. Such factors could include everything from human resources, the foreign exchange generated by markets for illicit commodities (drugs), as well as access to firearms. A more ethereal definition includes a shared sense of group (ethnic, religious, national) identity, or a galvanizing ideology. This section summarizes potential mobilization resources that surfaced in our data collection. It makes sense to focus on factors generally assumed to be focal points for mobilization, including ethnicity or ideology, but which we found *not* to be potential conflict resources in the Guatemalan context.

Youth Unemployment and Underemployment: Youth unemployment may well be a driver of conflict in and of itself, but there is a mediated link between this phenomenon and conflict that has found empirical corroboration. The rise in youth unemployment in Guatemala has several repercussions. First, it contributes to rising internal migration to urban from rural areas. Second, the mass of unemployed or underem-

[21] Escuintla and Izabal registered the highest crime rates, with a homicide rate as high as 115 per 100,000 people. Escuintla is the department outside the capital with the most registered firearms. (DECAM) Both departments are outside target areas for the proposed USAID strategy.

[22] In 1998, the Ministry of the Interior allocated US $ 94 million to citizen security, or 20% of its budget.

[23] While in 1999 the percentage of those who favored the strong-hand was 62%, in 2001 the percentage decreased to 53%, which equals the levels of 1997. Draft of 2001 DIMS Survey.

[24] This seems to be the conclusion of many analysts, including, notably, Seligson (2002). Democracy implications aside, crime has caught the international community's attention. The UNDP averred that "common crime will pose the most visible threat …and will be the clearest indication of the weakness of the political system and the state." UNDP (2002), p. 14.

ployed youth are deemed to be the population at highest risk of being recruited for criminal organizations and armed gangs in urban areas. This is the case in Guatemala, where criminal gangs operating in urban areas actively recruit young men and women into their ranks.

Smuggling: Since the end of its civil wars, Central America has become a major transshipment point in both the drug trade as well as the smuggling of persons. The increasing transit of cocaine through Central America from South America parallels interdiction in Colombia and Peru, which forced traffickers to search for alternate routes that bypass heavily monitored aerial and maritime routes. This policy coupled with persistent demand spurred Guatemala's growth from merely one transit country among many to a major point of transshipment for cocaine going to the United States. Guatemalan traffickers now move around 300 metric tons of cocaine into northern markets, up from around 50 tons in the mid 1990s. Interdiction performance by an overburdened and compromised law enforcement apparatus has been dismal. Although it has limitations, Guatemala's anti-drug agency, the Department of Anti-Drug Operations (DOAN), is considered the best-trained in the National Civilian Police (PNC) and cooperates with U.S. agencies in combating drug trafficking. Its capacity to interdict the drug flow, however, is weak and has diminished over the last few years, despite U.S. support, because of corruption, turnover of personnel, and a lack of government support.

Adding to the environment of impunity is the Public Ministry's ineffectiveness in prosecuting major drug traffickers. Intimidation, lack of resources, and corruption in the Ministry and judiciary are the primary reasons. Guatemala has yet to implement money laundering laws it passed in 2001 due to major resistance from the banking sector, which maintains secrecy laws and allows the use of bearer shares. Guatemala has also become a stockpiler and domestic distributor of cocaine, fueling domestic consumption. Border control is abysmal and trafficking proceeds too lucrative not to induce border guards and customs officers to look the other way in exchange for payments. Trafficking and the laundering of profits associated with trafficking have implications for organized crime and the rising homicide rate. Armed gangs are associated with drug dealers and regional crime rings involving ex-combatants from both sides of the armed conflict have become involved in drug trafficking, kidnapping, extortion and bank assaults.

Small Arms: One consequence of war in Guatemala has been the proliferation of small arms. Automatic weapons continue to be cheap and plentiful in the country. Part of the problem stems from an incomplete disarmament that left large numbers of illicit arms circulating after the armed conflict.[25] Black market arms originate either from guerillas that did not turn in weapons after the conflict or from thefts from private and military arsenals.[26] They are mostly traded in border areas with El Salvador and Mexico, among others with Mexican EZLN (*Zapatista*) guerrillas. Arms traffickers use regional service trucks to move the contraband, since they are less likely to be stopped at control posts. Security forces have confiscated rifles from criminal groups that were pilfered from military arsenals. Drug trafficking is certainly another source. Traffickers increasingly use transit routes through Guatemala in order to transport cocaine and heroin from Colombia, Peru and Bolivia to the United States. These networks are being used for weapons as well, since traffickers demand arms to defend themselves against security forces. The DOAN has confiscated ever-greater numbers of firearms in connection with drug-operations. For its part, the PNC has carried out confiscation campaigns in Guatemala City, though the efforts barely scratched the surface.[27] The government has grudgingly come to the realization that domestic arms control will require a concerted effort, though genuine government direction is unlikely to emerge in the near term. In the mean-

[25] A mere 2,000 arms were collected following the 1996 Accords. The Department for Arms and Munitions Control (DECAM) has 150,000 weapons in their registry, but there are an estimated 2 million arms circulating illegally on the streets.

[26] In 1999, there were two incidents of arms thefts from military stocks. In one, military equipment worth more than $26,000 disappeared. The stolen arms were assault rifles, the preferred weapons of organized crime. Military officers and private security sector elements were responsible for the theft.

[27] In 1999, the PNC discovered caches of arms on the property of a drug trafficker with links to private security companies. The PNC also raided clandestine shops in Guatemala City that supply arms to criminal groups involved in kidnappings, car thefts and drug trafficking.

time, rising crime has spurred demand for private security companies, the vast majority of which operate illegally. Of the approximately 45,000 private security guards in Guatemala City, less than half work for authorized companies, and ex-military and security officials with access to legal and black markets for arms run most of these firms.[28]

4. External Factors

Bilateral support has inhibited violent conflict in Guatemala since the signing of the Accords,. From 1996-1999 over one-and-a-half billion dollars of financial and technical support was provided by 17 bilateral donors, of which the U.S. was the largest with a total of nearly $261 million. The USAID/Guatemala program was approved in June 1997. The USG provided an average of nearly $70 million a year during the first five years after the Accords. Annual levels during the most recent two fiscal years have been lower, in the $50 million range. Following the damage inflicted by Hurricane Mitch in October and November 1998, USAID/G-CAP responded with emergency assistance and rehabilitation support and, subsequently, a two-year reconstruction program that ended on December 31, 2001. For the period 2004-2008, however, USAID resources will fall to levels allocated prior to the Peace Accord program – approximately $180 million. ESF funding will diminish in FY 2004 and FY 2005, after which it will be zeroed out.

While no precise data are yet available, a cut in support from other bilateral donors is also expected over the next five years. The European Union has announced its intention to consider cutting aid if the government does not address corruption and human rights abuses. Most noteworthy in regards to donor presence is the withdrawal of MINUGUA at the end of 2003, and the lack of an elaborated exit strategy. To date, MINUGUA, along with OEA/PROPAZ has played a key role in conflict issues. This reduced focus by the international community might be a logical and appropriate response to changes in the political environment and other global demands, but a drastic reduction in bilateral support may exacerbate conflict conditions.

During the Consultative Group of international donors meeting in 1997, bilateral and multilateral institutions offered over $2 billion for implementation of the peace agreements. The Inter-American Development Bank (IDB) is the largest donor, with over $900 million in new loans slated for approval during 2001-2003, and over $10 million in technical cooperation.[29] The next largest lenders and donors are CABEI and the World Bank. Currently, CABEI is supporting programs in decentralization, rural development, the environment, and road construction, while the World Bank finances programs in education, justice sector, modernization, fiscal reform, integrated human development, decentralization, rural development and the environment.

At its February 2002 meeting, the Consultative Group urged the government's compliance with unfulfilled provisions of the accords. Funding levels are to be negotiated with bilateral donors on an individual basis.[30] Like bilateral donors, the UN and OAS are concerned about the peace process."[31] Shrinking funds coupled with weak strategy and poor coordination limits the multilateral effort. The verification of the Accords has fallen on the shoulders of the UN as part of the mandate of the United Nations Mission in Guatemala (MINUGUA), which began its phase out in 2001 and will be closed down by the end of 2003.

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[28] Private security companies have proliferated due to the lack of laws regulating their activities. The PNC have few requirements and provide no training for private security personnel. Security guards reportedly leak information to facilitate kidnappings and robberies. Some have ties to organized crime.

[29] Its program will include three priorities: 1) sustainable growth and competitiveness; 2) equity, social protection, and human capital development; and 3) modernization of the State and strengthening governance. Parameters Paper; USAID/Guatemala Strategy, 2004-2008; USAID/G-CAP; January 8, 2002.

[30] Reportedly, Nordic countries will continue supporting the Human Rights Ombudsman, which will become more important once MINUGUA phases out at the end of 2003.

[31] UNDP Bureau for Crisis Prevention and Recovery; January 2002.

While some impact will likely be felt by the departure of MINUGUA, it might afford opportunities for domestic actors to fill the void.

As for regional factors, while the EZLN (*Zapatista*) conflict has not been resolved and the Mexican region of Chiapas borders Guatemalan Petén, there is little evidence of conflict spillover across the border, though analysts see the Mexican conflict as a determinant in the development of armed conflict in Guatemala -- a minority opinion. Ongoing border tensions with Belize were scarcely mentioned, either as a point of inter-state or cross-border conflict vulnerability or as a factor enhancing the risk of internal violence.[32] Emigration, international drug and contraband trade are driven by international factors as well as domestic factors, but they were treated as domestic factors that enhance the ability of groups to mobilize resources to foment or sustain violence.

5. Windows of Vulnerability

It makes no sense to identify trigger points for scenarios that have little chance of materializing. These events are dealt with in the next section, which analyzes the dynamics of the scenarios in detail and assesses their relative risks over five years. However, certain factors in the Guatemalan context, when combined with structural and institutional conditions, make the violent conflicts scenarios likelier in the near term. We posit these general areas of vulnerability: the present political crisis, the general elections in 2003, the state of the economy, and items that are currently pending on the government reform agenda, all of which could have an effect on conflict vulnerability in the near term.

a. **Political Crisis** Prominent among these areas of vulnerability is the current weakness of a government shaken by political crisis spurred by exposés of accusations of corruption of all types, from bribery to influence trafficking to elicit enrichment. Scandal has touched all levels of government, but has been noteworthy in 2002 for having implicated cabinet members and President Portillo himself. A Transparency International report (2001) circulated in the Guatemalan press, alleged that one fourth of the country's annual budget would be consumed by rent-seeking and mismanagement. Corruption is a large part of the reason that Portillo has lost ground against hard-line elements of his party, the *Frente Republicano Guatemalteco* (FRG), who opposed his decision to increase the value-added tax. Besides driving wedges between Portillo and his party, the unpopular tax eroded souring relations between business and the government, evident during the business-orchestrated labor and civic protests against the tax in August 2001.

   The unabated stream of scandals is a double whammy in the conflict calculus. It erodes already abysmal levels of confidence in political institutions. Surveys show that Guatemalans, like their counterparts throughout Latin America, do not hold institutions in high regard, though Guatemalans do not rank as far down the ladder in public esteem as citizens of Paraguay, Colombia or Peru. These attitudes also have an impact on political participation.[33] The scandals undercut the government's limited capacity to resolve national problems requiring decisive action. Prompt resolution of this crisis could go a long way toward reducing conflict vulnerability, but scandals will likely become a focal point during the electoral campaign, as civic associations justifiably thrust the corruption issue to the forefront of the debate.

b. **2003 Elections**: Guatemalan elections have so far not been conspicuously irregular or fraudulent. In fact, elections since 1985 have served to defuse tensions rather than stir them up, since they have afforded alternation in power. Not only were elections since the transition judged free and

[32] Other external factors include the September 2001 terrorist attacks in the United States and the ensuing economic downturn. It was difficult to draw conclusions about what economic or political impact the attacks would have on conflict vulnerability in Guatemala.

[33] Voter turnout dropped 15.9 percent from 1985-09. El Salvador showed a much greater loss -- 41.7 percent from 1984-99. This decline is a regional phenomenon. In Latin America, only Paraguay and Uruguay have increased turnout since their first elections.

fair, but the 1995 general election represented a high water mark for the peace process.

This history provides little consolation in the current climate, however, in which the uncertainty over the upcoming general and local elections in November 2003 has prompted fears of a flawed process that might worsen conflict conditions. The uncertainty is warranted. No party since the transition has ever won re-election, yet no opposition parties present a challenge to FRG, divided in the wake of scandals.[34] The *Partido de Avanzada Nacional* (PAN) is weak and divided, but recent events (including former President Arzú's resignation from the party) and Oscar Berger's stated intention to run for the presidency suggest the party may recoup lost support.

Breakaway factions of parties are trying to build a coalition to field a unity anti-FRG candidate, but it is too early to tell whether these efforts will bear fruit. An irregular or fraudulent process and an invalid outcome in the general elections could become a flash point for the conflict scenarios evaluated in the next section. Highly contested municipal elections could trigger violent conflicts at the local level, particularly since local elections proved points of local conflict during the 1995 elections.[35]

c. **Economy:** Economic forecasts for Guatemala over the next five years are neither bright nor dire, but the general outlook is poor, given the slump in export prices, deteriorating terms of trade and the downturn in the U.S. and other partners. Coffee prices will not recover this year, and export demand will pick up only modestly, depending on the economic situation in the United States and elsewhere. The financial sector has fallen into a precarious situation which began in 1998 when three major coffee exporters went bankrupt, continued in 1999 when several financial institutions closed, and persisted into 2001 when three banks were declared insolvent and taken over, at a cost of US$325 million, by Banguat.[36] Neither the banking crisis, not the instability and weakness of a government facing corruption scandals has done much to reinforce investor confidence in the Guatemalan economy.

Although growth declined in 2001 (1.5%), there may be a slight rebound in 2002 and 2003 (2.5% and 3.5%). These rates are not likely to make a dent in poverty, since population growth is over 2.5%. Inflation jumped slightly in 2001, with the annual average rate running at about 9%, well above the 4-6% rate set by Banguat, but it should remain within single digits over the next few years. The EIU projects a risk to the Quetzal, due to weakness in the export markets and prices coupled with the loss of investor confidence triggered by deteriorating public finances.[37]

A precipitous downturn in the economy with a harsh, negative impact on income or savings is not likely in Guatemala in the near term. As the nation enters the 2003 electoral campaign, fiscal discipline will likely relax and spending increase as the government tries to shore up support, targeting areas in which spending would have a direct impact. Such a formula might not maintain fiscal discipline nor ensure economic stability, but it is a tried and tested way of courting the popular vote. On the other hand, the recent agreement with the IMF might serve to reign in such pork-barrel spending in the run-up to the election. On balance, the economy continues to be a point of vulnerability but not a volatile and unpredictable factor that could push Guatemala over the brink into violent protest, as happened recently in Argentina.

[34] FRG party unity is not helped by Rios Montt, the party's standard bearer, who is attempting to finesse constitutional rules that prohibit his presidential candidacy.
[35] Instituto de Desarrollo y Administración Municipal (1997) Conflictos Municipales Electorales.
[36] Inter-American Development Bank, Sept. 2001
[37] A recovery foreign reserves has lent the currency some stability, though rising external debt and political instability may deter foreign direct investment and undermine macroeconomic stability.

d. **Reform**. Reform efforts are desirable from a democracy perspective, but they carry the inherent risk of exacerbating tensions increase the risk of violent conflicts, just as undemocratic solutions can be used to end conflicts. The pushing through reforms will automatically reduce vulnerability to violence is a naïve assumption in countries like Guatemala, where actors opposed to reform maintain the capacity to mobilize resistance. This is not the same as stating that the international community should discontinue its support for reform agenda, but a pragmatic recognition that, in the Guatemalan context, reform efforts might well raise the short-term risk of elite-perpetrated violence, depending on many externalities (Scenario 5) while reducing societal tensions that in the long term contribute to vulnerability to armed conflict.

The Portillo government's lackluster record could well be due to a lack of reform-willingness, but it probably owes as much to the government's obvious weakness and political isolation than to a deficit of political will. The decision to raise the VAT tax, for example, created division within the ruling party, and prompted a backlash of protest by trade unions, civic organizations and private sector interests, largely orchestrated by the *Comité de Asociaciones Agrícolas, Comerciales, Industriales y Financieras* (CACIF, a business organization). These protests, which became violent, did not thwart the tax increase.

6. Summary

There is a *prima facie* case for vulnerability to violent conflict in Guatemala, in that many of the root causes of conflict remain five years after the signing of the Accords. Deep-seated ethnic discrimination and exclusion and disparities in land continue to generate sporadic conflicts in rural areas – conflicts that state agencies often lack the capacity to manage or resolve. Unemployment aggravated by plummeting coffee prices, a migratory youth cohort seeking opportunities in a sluggish, crime-infested economy all contribute to population movement and rising criminality. Countervailing factors include the peace accords themselves, which still meet with general acceptance, as well as the creation of mediation organizations. Indigenous rights organizations, despite their problems, are in the main aimed at promoting inclusion and peaceful participation.

Institutionally, Guatemala's chronically weak state is bearing a rising burden to both implement reforms, enforce laws, etc. and meet growing citizen expectations. Improvements in revenue collection have not sufficed to raise strategic spending in ways that might reduce conflict vulnerability. Corruption in the executive and judicial branch is a drain on public resources that could be used to address conflict causes or maintain order, an impediment to the state's capacity for positive action, and a factor eroding public confidence in government. Rising street and organized crime in mostly urban areas has overwhelmed a nascent and weak police force that is plagued with coordination, discipline and corruption problems of its own. The lack of control coupled with drug smuggling and small arms traffic provides fertile ground for the growth of organized crime.

E. FINDINGS

This section turns to our scenario development exercise and examines the findings in terms of the level of risk of each scenario projecting ahead five years as well as the general trend. We also summarize the relevant conflict factors pertaining to each scenario of conflict, and determine the relative weights of factors in the dynamics leading to potential conflict. Our weighting of factors is based on our analysis of themes mentioned recurrently during data collection. Findings related to the sub-national mini-case studies are presented in the remainder of this section.

Scenario 1: Resurgence of Armed Conflict
Risk: Low
Trend: ⇔

The scenario exercise yielded clear findings: most consider this an unlikely prospect since the conditions for a resumption of hostilities are unfavorable.[38] The absence of an organization or group aiming to topple the regime, the incubation period required to develop such an organization, conflict fatigue, a "pro-peace consciousness" and the recent memory of violence in rural communities – all minimize the risk of this scenario in Guatemala. Most experts thought armed conflict risk would remain the same (low) or increase slightly but not significantly over five years, given that root causes (poverty, inequality) persist and have only been recently addressed.

A push to implement the peace accords may mitigate the risk of this scenario, but the immediate pressure for rapid implementation seems to have receded. It appears that the public has revised its expectations of what may be achieved in the near term. It does not hold only the government responsible for straying from the timetable. Recent public demonstrations were far more focused on official corruption and incompetence than on the fulfillment of the accords, which were scarcely mentioned.

Though improbable, this scenario could not be discarded, due to the lack of resolution of basic structural inequalities in land and income, combined with state weakness. Political exclusion of indigenous people was thought by some to fuel discontent, but the disorganized state of COPMAGUA and other indigenous groups, combined with the lack of leadership and direction, was thought to reduce the likelihood of a mobilization along ethnic lines. A broad-based party with support could play a role in mitigating the risk of violent conflict over the next five years, but no current parties seem able to play this role.

The military's withdrawal from hard-hit areas has left a vacuum of power which thus far the Civilian National Police (PNC) has been unable to fill, thereby creating pockets of state weakness that could be exploited by actors with the capacity and will to use violence in a strategy to wrest local control from the state. A large and unemployed migratory youth contingent in export sector and former combatants in the armed conflict (including the URNG, ex- civil patrollers), some of whom have become absorbed by the private security sector, were believed to be the most likely be the protagonists of such conflicts, though there was little evidence of an organization ready to launch an armed campaign or inspired by a ideology or a radicalized rights discourse. Some expressed the view that the state benefits to the ex-civil patrollers (PACs) might play a mitigating role in a scenario that envisages PAC participation in an armed conflict. Delays in the receipt of such benefits could increase conflict risk, as could opportunities for this segment of the population to serve as private security agents for large farm owners.

The indigenous movement was counted as a conflict inhibitor. Most respondents felt it unlikely that indigenous rights could serve as galvanizing force for armed conflict, despite the radicalized rhetoric of the *Consejo Nacional de Organizaciones Indigenas y Campesinas* (CONIC), which split off from the moderate *Comite de Unidad Campesina* (CUC) in the 1990s. Other armed conflict inhibitors include the politi-

[38] The sentiment "las condiciones no estan dadas" (the conditions are not present) was echoed by some 8 experts.

cal and institutional changes put in place since 1985, as well as reforms following the accords. Free expression and association are permitted to a degree that was prohibited during the insurgency. There was a sense that while the accords had not fulfilled their promise, neither had they failed, despite the obvious setbacks. Additional inhibitors include the fact that elected government had succeeded in maintaining macroeconomic stability, despite a severe contraction in export sector and a lag in generating productive employment.

Scenario 2: Escalation of Criminal Violence:
Risk: High
Trend: ⇑

Response with regard to criminal violence was unambiguous: This scenario was regarded as a high and rising risk over the next five years. The manifestations of this rising criminal activity is include the growth in influence of "parallel power," shorthand for the malign influence of organized crime interests with international connections that have burrowed into the justice system, police and customs, and other state institutions. Manifestations of rising *mafia* influence include an increase in territories outside police control and a greater number of gangland killings. Drawing the inevitable analogy with Colombia (seen as an advanced stage of processes underway in Guatemala), many experts felt that the toxic mixture of official corruption, drug trafficking, the fragility of the justice system, law enforcement weakness, could lead Guatemala to "Colombianization."

There were few mysteries about the crime phenomenon in Guatemala. It is similar to causal dynamics in other countries. State weakness accelerated by the transfer of law enforcement to a still-developing civilian police force figures prominently in this scenario. Economic factors play a role but do not alone account for soaring homicide or organized crime and gang violence. Topping the list of economic drivers is the high youth unemployment rate in both rural and urban areas, and the resultant proliferation of gangs comprising these disaffected youth. The external dimension of the problem was repeatedly raised, namely the rise in illicit economic activity (smuggling of drugs and other contraband) and resultant strengthening of *mafias* linked to criminal activity.

Institutional deficiencies were considered contributing factors to Guatemala's exceptional vulnerability to local conflicts. Police presence was acknowledged to have had some enforcement and deterrent impact in some areas, but the PNC was criticized for its incompetence or blamed for complicity in organized crime. The recycling of officer corps and rank and file from the earlier police and civil patrols was frequently mentioned as a factor impeding police effectiveness. So was the lack of *national* direction and coordination of internal security affairs. Intervening factors include small arms, the lack of opportunities for former conflict combatants, and the link between economic crisis and illicit markets – notably, drug traffic – and the strength of conflict entrepreneurs.

Scenario 3: Sustained, Mass Violent Protest
Risk: Medium
Trend: ⇔

Concern that peaceful mobilizations will be provoked to violence is warranted, given that elite interests still seek to destabilize the government, using legitimate anti-government protest to foment instability. That sustained, peaceful anti-government protest is not plausible in Guatemala is questionable. Such protests appear likelier in the waning days of a government overrun with scandal and increasingly isolated from business interests.

Among the more commonly cited drivers is the rising public frustration with the government, and declining public confidence in institutions at national level, prompted by unrelenting coverage of corruption scandals involving high and low government officials. Elite machinations and misbehavior also seem to figure into the risk of this scenario's occurrence (hence the link with scenario 5), just as elite restraint

could serve as a conflict inhibitor. Delays in the accords obviously do not convey government responsiveness to citizen demands that might assuage clamor for reform. But neither did they seem to galvanize protest. The *Movimiento Civico* street protests were remarkable for the absence of any mention of the accords. This omission is logical if we consider that the organizations sponsoring the protests oppose many features of the accords. If anything, government pushes to implement controversial features of the accord that affect elite interests with mobilization power have tended to spur protest mobilized by elite groups.

Many respondents cited a lack of civic organization, current weakness in labor, student, and campesino movements and the general lack of an activist tradition in the country as factors that tend to inhibit the realization of a *desborde* provoked to violence, such as occurred in Venezuela prior to Hugo Chavez's ouster and in Argentina before Fernando de la Rúa's resignation. The activist tradition is weak in Guatemala, the Team heard repeatedly, even as some 4,000 protesters took to the streets of Guatemala City and called for the President's resignation.[39] Fanning frustration are current issues, such as the corruption scandals. Although demonstrations have been peaceful and police behavior restrained, they have yet to be sustained and there seems to be no factor that unites people to take to the streets in protest in plazas around the country. CNOC and the campesino/indigenous movements are still significant actors, though arguably have lost some of their mobilization potential and have been noteworthy recently more for their quiescence than their activism and participation in protest activity.

All that could certainly change as Guatemala enters another election cycle. A process with irregularities or fraud could trigger a public protest that could turn violent, though experts were divided over the likelihood of fraud. In recent weeks, however, it appears that the *Movimiento Civico* has lost its initial momentum, making it harder to imagine the group becoming a protagonist of protest during the electoral cycle.

Scenario 4: Sustained, Local Violence between Groups
Risk: High
Trend: ⇑

The main driver of local conflict relates to ownership of and access to resources, mainly land and services (food, water, roads, education, health care). Resource disputes reportedly have their origins in what experts called the exhaustion of the economic model of agro-export-led development. While this is plausible given the declining terms of trade for exports, the more immediate reason that land disputes have increasingly taken on a conflictive and violent cast seems to be the weakness of local authorities in areas that were until recently under military jurisdiction, and the lack of faith and confidence of local communities in their elected representatives, in appointed regional governors, and in the local branches of the justice system, including the local courts and prosecutors, as well as the misbehavior of civilian police forces (PNC). The mistrust of local authority has led local groups to take justice into their own hands in resolving land disputes.

One finding from the scenario exercise relates to the ethnicity issue. Guatemala is a multiethnic society with a history of racism and exclusion based on race as well as a recent tradition of indigenous organizations pushing for rights and recognition. Few respondents saw inter-ethnic conflict as a serious problem, much less as a driver of violence. Indeed, there was no evidence of ethnic militancy. Indigenous groups have adopted a reform discourse aimed at promoting inclusion and participation. That fact coupled with the lack of indigenous leaders capable of advocating civil rights as a basis for a political struggle makes *intra*-group conflict -- within ethnic groups living in the same vicinity -- or inter-municipal conflict, more likely. The latter conflicts could involve former defense patrols (PAC), whose main gripe relates to bottlenecks in the receipt of veterans' benefits to which they are entitled by law.

[39] It is usually the case the demonstrators are bussed in during large, "spontaneous" public demonstrations and this demonstration, apparently, was no exception.

An interesting dichotomy emerged between the national experts and local experts. Analysts, particularly in the western region, expressed far more concern that these violent, localized and small-scale conflicts (land invasions, etc.) would lead to larger confrontations in the near term if efforts were not made at the national level to address the root causes of conflict, from land tenure to establishing mechanisms of justice. Experts in Guatemala City tended to view the land conflict dimension as a longstanding problem that is neither likely to incite sustained violence in rural areas nor affect national stability. Guatemala City respondents also tended to share the belief that cadastral and titling efforts would diminish such conflicts over time if these efforts kept pace with demand.

The drivers of the local conflict scenario stem from official inaction on economic issues of local concern, from the lack of employment, to the privatization of utilities, to land tenure and access. The application of land laws, in fact, plays a somewhat ambiguous role with respect to conflict vulnerability. Efforts by CONTIERRA have had a modest impact on conflict mediation as land titling efforts got underway. Enforcing land laws, however, has actually spurred conflict over municipal limits, as well as violent confrontations between squatters and invaders on the one hand and *finqueros* or state entities on the other. Efforts to enforce protected areas have generated ill-will and sporadic violence against authorities responsible for evicting communities occupying protected land. The exhumations of mass graves in the highland areas of the Zona Paz, a project sponsored by USAID/Guatemala, has also fostered tensions in rural areas that have on occasion erupted into violent attacks directed against the forensic anthropologists carrying out the exhumations.

An additional driver of conflict is the chronically low level of public expenditures in the regions on public goods and services, particularly in the rural areas that have been hit by declining incomes, exports. The Guatemalan government could go a long way toward alleviating pressures by stepping up local investment in job-generating activities. The cementing of relations between the ruling party, the FRG and its local representatives on the one hand and the former civil defense patrollers (PAC) on the other may be exacerbating conflicts aimed at advancing local or national objectives.

Conflict inhibitors in this scenario include what amounts to a major territorial reorientation, based on a significant land distribution and titling program that has had real impact. The land fund FONTIERRA and the titling agency CONTIERRA both play a role in the heavily conflicted areas in mediating and resolving land disputes. The Cadastre, too, seems to have had a salutary impact on conflict levels, though some informants were skeptical that the Cadastre had produced any discernible impact since implementation. One inhibitor is the out-migration of local youth deprived of economic opportunities from land conflict-prone communities, which has reduced tensions in those regions.

Notwithstanding these inhibitors, the elevated expectations for rapid land reforms and the government's failure to deliver seem to have fueled frustration in rural areas. One indication is the increase in the number of land invasions (in which *landless peasants seize fincas*) that have erupted in violence over the last few years.

For all of its obvious shortcomings, the PNC has had a deterrent impact on land conflicts, though police misbehavior was frequently cited as a provocation to sabotage against installations or direct confrontations between (particularly indigenous) communities and police agents. Some indigenous communities perceive the police not as a protective force but as an occupation force or a menace. Other inhibitors include job-generating works that modestly benefit local communities. Where they have been done (and they are not prevalent), tensions tend to defuse. The Petén governor, member of Portillo's FRG party, claimed that areas in which public works had been implemented tended to be more governable than areas which such projects had not yet reached, though patterns of government transfers to the executive-appointed regional governments are dependent on political loyalty to the executive. Clerics play a vital, though limited role in the mediation of community-based conflicts, since they tend to have more credibility and authority than local elected representatives do. Indigenous mayors in the 110-odd municipalities in

which they have been elected also play a mitigating role in conflicts over resources, since mayors are often called upon to perform judicial functions like conflict mediation.

The USAID-funded justice centers have strengthened mechanisms of the local justice, but the efforts have had only marginal impact on a widespread problem because the caseload the centers are capable of managing is still low relative to demand. An additional inhibiting factor in areas afflicted by land disputes is the existence of *mesas de concertación*, which serve as a forum to air grievances over resource and other issues. However, may of these mesas have dissolved or lost their orientation. Development Councils (*Consejos de Desarrollo*) were to have played a similar role, but they have been politicized by the FRG, which is using resources allocated for development to build local support.

Scenario 5: Violent Elite Power Struggle
Risk: Medium
Trend: ⇑

The change in state structure, particularly over the last five years, has weakened traditional power brokers in Guatemala and fractured elite groups that were once cohesive. This is a positive development that may help to consolidate democracy in the long term. In the current context of inchoate parties and weak state institutions, however, elite fragmentation is viewed as a driver of conflict. Elite interests are not believed to be fully committed to playing by the democratic rules, particularly as recent elections have eroded their power. In the meantime, pockets of power accumulated by actors with connections to the state have emerged who are willing and able to mobilize resources to foster violence that serves their particular economic interests.

Respondents made a case for a network of hidden power lurking behind the deactivated military and intelligence structures, which includes elements of party leadership and economic interests. These hidden powers operate clandestinely. They have planned and carried out selective assassinations of and attacks against political activists and human rights organizations.[40] Others saw the ensuing inter-elite conflict as a power struggle over areas of the state that would permit *mafia*-like elements to operate with impunity. The consensus among interviewees was that the risk of this scenario was medium and the likelihood remote that elite conflict will escalate into violence in the near term, though perhaps increasing prior to the next general elections.

The main drivers of this conflict scenario include a weakening of the old power brokers, like the military and the CACIF, which formerly enjoyed an uncontested control over the state apparatus, and the lack of consolidation of institutions that have been erected to fill the power void. Private sector influence has not weakened as dramatically as that of the armed forces, but private power has found itself, in effect, expelled from formal political power, particularly after the 2000 FRG victory. Exclusion of private interests from state decision-making has meant that "conflicts formerly resolved through elite negotiations behind closed doors are now being fought in public, in the media, and, recently, through social mobilization."[41]

A rearguard action to waning prerogatives and threatening state action raises the risk that aggressive reform efforts will trigger violence, if elites feel underrepresented in the decision process, as was evident in the resistance to the value-added tax. Many respondents thus linked this scenario's likelihood with the protest scenario (scenario 2) in that violent protest depends on elite sponsorship. For many it was impossible to conceive of spontaneous mobilizations; the not-so-hidden hand of the CACIF (and other groups) was seen as the determinant of the success of such mobilizations. Elites have begun to coalesce with non-traditional allies (labor and student groups) in their attacks on government.

[40] One such political assassination occurred while the Team was doing its field work.
[41] WOLA Report (2002), p. 12.

The lack of a consolidated party system feeds the uncertainty that renders this scenario moderate risk. The weakening of the party that traditionally represented elite interests (the PAN) and the decline of elite influence within the government has fueled a rivalry between business interests (like the CACIF) and the FRG, as well as inter-party conflicts not easily amenable to political resolution. The political stalemate has generated coup rumors that, although unfounded, added to an atmosphere of instability. Our respondents felt that coup risk in the immediate future was marginal, since elite groups lack cohesion and cannot count on military support to stage a coup. The abortive coup in Venezuela may also serve as an object lesson to *golpistas* within or outside the Guatemalan military. Nevertheless, the respondents felt that minor conflicts between elite groups would likely continue over the next five years, raising the risk of a more violent elite conflagration.

Scenario 6: Muddling Through
Risk: Medium
Trend: N/A (No change trend is part of operational definition)

Our finding with respect to the baseline scenario is that it cannot and should not be discounted in assessing conflict vulnerability in Guatemala. The status quo scenario was deemed the third likeliest scenario in both the national and the regional samples, behind criminal violence (scenario 5) and local group-on-group violence (scenario 4).

CONSOLIDATED SCENARIO FINDINGS:

The figures below aggregate our scenario findings at the national and regional levels. Scenarios 2 and 4 represent those rated high risks, while the armed conflict scenario is deemed a low risk prospect. As for 3 and 5, the protest and elite struggle scenarios, the response was divided, with intra-elite conflict outcome pegged at higher risk than protest. Muddling through was deemed of lower risk than all but the armed conflict and protest scenarios, but came in third place in the overall ranking. The clear tendency in the national level projections was in the proportion of respondents who predicted that criminal violence would worsen. (Table 1, Figure 1)

Table 1: National Level Sample

National Sample Risk Level									
		Low		Medium		High		Sum	
Scenario	*Type*	*Number*	*Percent*	*Number*	*Percent*	*Number*	*Percent*	*Total*	*Percent*
1	Armed	57	86%	4	6%	5	8%	66	100%
2	Criminal	3	5%	13	21%	47	75%	63	100%
3	Protest	33	52%	21	33%	10	16%	64	100%
4	Local	8	13%	27	44%	27	44%	62	100%
5	Elite	21	33%	18	28%	25	39%	64	100%
6	Muddle	18	28%	30	47%	16	25%	64	100%
Five Year Projection									
		Decrease		No Change		Increase		Sum	
Scenario	*Type*	*Number*	*Percent*	*Number*	*Percent*	*Number*	*Percent*	*Total*	*Percent*
1	Armed	14	23%	33	53%	15	24%	62	100%
2	Criminal	2	3%	9	15%	51	82%	62	100%
3	Protest	9	15%	35	56%	18	29%	62	100%
4	Local	4	6%	27	44%	31	50%	62	100%
5	Elite	12	19%	23	37%	27	44%	62	100%

Figure 1: National Sample Estimated Conflict Risk by Scenario

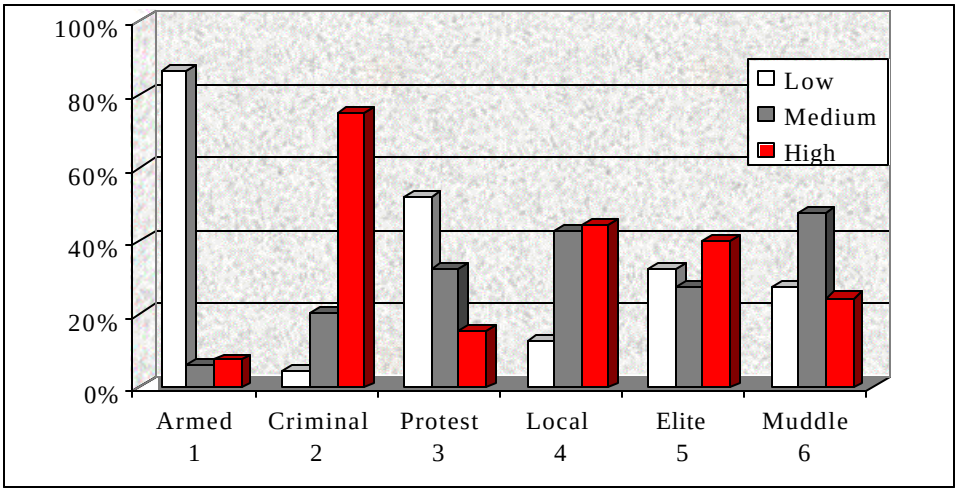
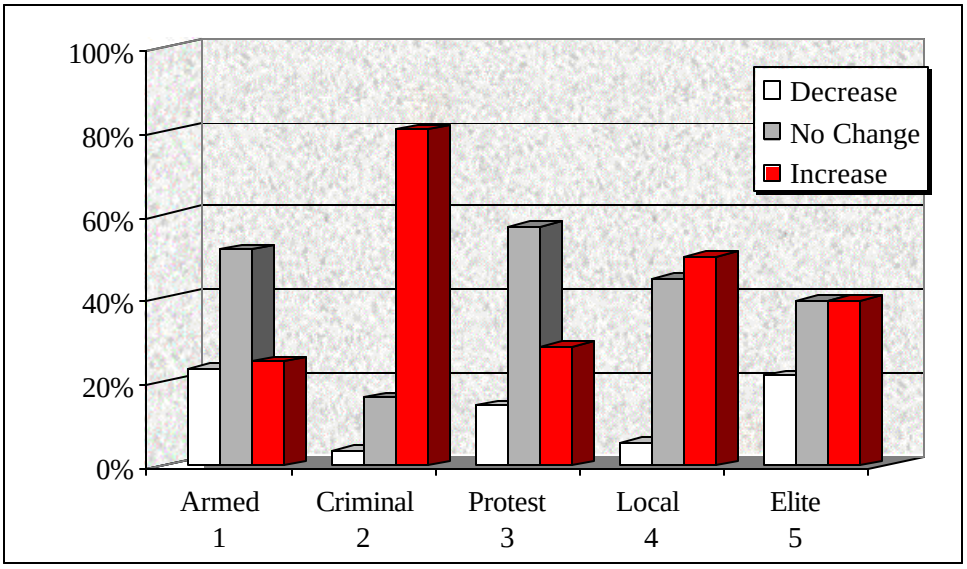


Figure 2: Projected Trend, National Sample



SUB-NATIONAL ANALYSIS

The sub-national analysis consisted of mini-case studies as well as an analysis of statistical data that could be compared in time series across Guatemala's departments, the politico-administrative unit under the national level.

Before discussing our case studies, it is important to review the land conflict issue at the sub-national level because of their importance as a flashpoint leading to broader conflict. Analysis of Guatemala's 22 departments was limited by a lack of reliable data. Among the data the Team put to use originates with CONTIERRA, which monitors land conflicts on a departmental basis. Registered conflicts are cases presented to local CONTIERRA agents for investigation and resolution by the parties. For the reasons discussed above, this statistic was not interpreted as a conflict indicator. We examined instead the *resolution rate* of conflicts to ascertain the capacity of

the state and its local agents (e.g., local CONTIERRA offices) to mediate pending and potentially volatile disputes.[42] CONTIERRA collected departmental data for the first time in 2001, so there are no historical data points for the purpose of tracking mediation efforts over time.

Table 2: Registered and Resolved Land Conflicts by Department

Department	Registered 1997-2000	Registered 2001 (A)	Resolved 2001 (B)	Resolution Rate[43] (B/A)
El Peten	659	226	117	52%
Alta Verapaz	201	60	21	35%
Izabal	102	14	11	79%
Huehuetenango	92	29	16	55%
El Quiche	89	6	2	33%
Escuintla	41	8	6	75%
San Marcos	34	6	3	50%
Guatemala	31	18	18	100%
Baja Verapaz	23	11	2	18%
El Progreso	20	2	7	350%
Suchitepequez	19	8	3	38%
Zacapa	18	3	2	67%
Solola	16	0	0	0%
Quetzaltenango	16	1	3	300%
Chimaltenango	15	6	8	133%
Chiquimula	14	4	6	150%
Retalhuleu	14	2	1	50%
Jalapa	11	2	0	0%
Jutiapa	9	4	3	75%
Totonicapan	8	2	1	50%
Santa Rosa	8	2	2	100%
Sacatepequez	4	2	2	100%
Total	1444	416	234	56%

This measure yields an estimate of state capacity to resolve land disputes. Since most conflicts have occurred in only five departments: El Petén, Alta Verapaz, Izabal, Huehuetenango, and El Quiché, we stratify our sample by conflict volume (1997-2000). Of these five, Izabal has the highest rate of resolution, having resolved 79% of the case intake for a single year. Quiché and Alta Verapaz are at the low end of the spectrum, with abysmal resolution rates -- 33% and 35% respectively. [44] Huehuetenango and El Petén resolved slightly more than half its annual caseload. Areas of weakest state capacity relative to mediation demand are *El Quiché, Alta Verapaz, Baja Verapaz*. It is worth noting that the departments of Guatemala, Escuintla and Izabal enjoy higher than average rates of land conflict resolution yet have the country's highest homicide rates. These three departments are better off relative to impoverished rural departments to the west.

[42] Resolution rate: number of registered conflicts divided by number of concluded conflicts in single year.
[43] Backlog not factored into resolution rate because not apparent in all cases.
[44] Resolution rates over 100 percent indicate that backlog cases were resolved.

Mini-Case Studies

The Team conducted case studies in the northern border department of El Petén and the northwestern highland departments of Quiché and Huehuetenango. These two regions are considered particularly vulnerable; they are also different in respects that are useful for analysis. A focal point for criminality stemming from cross-border smuggling, the Petén has been among the departments with the weakest state presence yet most rapid population growth. It is also the site of most land conflicts. Huehuetenango and Quiché were among those areas most affected by violence during the armed conflict, have a high indigenous population, a weak state and police presence. Land conflicts in these areas have been intractable and violent, and inter-ethnic tensions tend to be higher..

The two regions were also selected to be representative of other regions that share similar characteristics. It is possible, for example, to extrapolate our findings from the mountain departments to rest of the Zona Paz (San Marcos, Quetzaltenango, etc.). For its part, the Petén is *sui generis*, but does share characteristics with other border regions and the departments along the trafficking routes along the southern coast.

SCENARIOS, REGIONAL LEVEL

National and regional respondents diverged in their risk assessments. A key variation was in the appraisal of local inter-group or community violence. Whereas nearly two-thirds (62%) of the national sample pegged the scenario at high risk (compared to 86% of the local respondents), half of the national sample felt the risk of such conflict would rise, compared with 81% of local respondents. The divergence might stem from the fact that land issues have greater local salience, giving local responses a more pessimistic cast. The group violence scenario had little relevance in the Petén, where conflict is mainly directed against the government. Petén interviewees thus tended to view the renewal of armed conflict as less farfetched than respondents elsewhere. (Table 3, Figs. 3, 4)

Huehuetenango and Quiché:

With 31 municipalities, Huehuetenango is Guatemala's largest department. Located in the northwest along the Mexican border, 260 km from Guatemala City, Huehuetenango is one of the country's largest coffee producing areas and thus has been among the regions hit hardest by falling coffee prices and joblessness. Accessible only overland, El Quiché was also among the departments most devastated by the counterinsurgency, and is the site of the conflictive Ixil Triangle.[45] In neither El Quiché nor Huehuetenango do conditions favor hostilities against the state, despite the dire economic situation in both departments. The absence of anti-regime groups, fatigue with counterinsurgency, as well as international factors currently work to hold the threat of armed conflict to a minimum. Yet most agreed that criminal violence posed a high risk that will rise over the next five years in both departments This assessment is based on the absence of a crime policy, impunity for lawbreakers and growing corruption among local judges and police. Violent protest was viewed as a low risk scenario on the rise, a reasonable finding considering

[45] This area populated by indigenous groups is bounded by three municipalities. Tensions have been high in the Ixil community of Los Cimientos since the 1980s, when the army entered the area, razed homes and forced residents to flee, establishing a counterinsurgency base and conscripting locals into civil patrols. After the conflict, the resettlement of Los Cimientos beginning in the 1990s, with the support of international donors, has proved to be a flashpoint for confrontations. Incidents involving returnees to and residents of Los Cimientos and former Ixil patrollers have risen in the last few years.

that local conflicts tend to be disputes against landowners or municipalities that affect individual or village interests and lack the galvanizing component needed for mass protest.

Local group violence was considered the highest risk, with a tendency to worsen over the next five years, due to recurrent problems of municipal management and the lack of public spaces for dialogue. In Quiché, inter-religious tensions have begun to express themselves. The recurring regional problem is the growing number of conflicts over the fuzzy boundaries between and among communities and municipalities.

Despite a long history of harsh racial discrimination in the region, few experts consider tensions between or among ethnic groups to be a likely cause of violence. The elite violence scenario was classified as a national-level scenario of high and rising risk, though not one likely to rear its head in either department. In Quiché, there was concern that the *exhumations of mass gravesites* could provoke an ugly backlash of violence perpetrated by civil patrollers and others who feared being fingered for the atrocities.

The Petén

Colonized in the 1950s and 1960s to relieve population pressure on productive lands in the highlands, the Petén began a process of growth that continues to this day. In four decades its population swelled from 20,000 to around 500,000, making it Guatemala's fasting growing area.[46] The Petén also acted as a safety valve for war refugees fleeing conflict areas in search of land and peace in the 1980s. A 1989 Law of Protected Areas established the Maya Biosphere, a conservation area made up of large extensions of forest and archaeological sites, and gave the National Council of Protected Areas (CONAP) responsibility for protecting the designated areas. The Petén has also become a haven for illegal loggers, drug dealers, and landowners who exploit their legal status to grab lands and participate in the robust cocaine, timber and contraband trade. Land grabs combined with protected land enforcement has contributed to a proliferation of land conflicts, from invasions of lands owned by absentee owners and altercations between CONAP and squatters in protected areas. During the 1990s and in 2000-2002, local conflicts between local *campesino* communities and the CONAP and PNC continued to rise.

The scenario exercise in the Petén yielded similar responses to those of the western departments, but with differences that reflect regional conditions. The Petén's importance as a transit bridge for smuggled illegal and legal goods moving through to Mexico to the United States, for example, was deemed to be a major contributing factor to Scenario 2 (criminal violence), which many considered to be well underway in the region.

Experts and laypersons alike were aware of the pernicious local influence of drug *mafias* and the gangland killings attributed to them. *Mafias* have tremendous sway over municipalities, particularly in Sayaxché, along the border with Mexico. Traffickers permeate most other forms of authority in the region, including agents of the central government. Experts gave mixed reviews to the performance of the PNC in the region, but on balance felt that the stronger police presence had improved regional security. Many locals view the PNC with suspicion, as an occupation force rather than a protector of community safety, since it is made up of people that do not hail from the communities in which they are stationed. In some communities, the formation of municipal police forces have met with greater community acceptance and produced tangible crime reduction results.

[46] Propetén. Interview, March 2002.

High in-migration and rapid population growth also sets the Petén apart from other areas. Internal migration has put pressure on land in some areas and contributed to the frequency of land conflicts. Most of these violent confrontations in the Petén are not between groups or communities, but between groups and/or communities on the one hand and government authorities on the other. Triggering these conflicts is not government *inaction* but government *action*, specifically the application of the Law on Protected Areas, which sets aside chunks of the biosphere for state protection. Efforts by the central government to impose authority on a lawless region have prompted resistance to both conservation laws and the clumsy application of such laws. The eleventh-hour eviction notices served on communities that have squatted on protected areas for years have generated altercations with CONAP authorities.

Table 3: Regional Sample: Quiche, Huehuetenango, Peten

Risk Level: Regional Sample									
		Low		Medium		High		Sum	
Scenario	*Type*	*Number*	*Percent*	*Number*	*Percent*	*Number*	*Percent*	*Total*	*Percent*
1	Armed	18	82%	1	5%	3	14%	22	100%
2	Criminal	1	5%	7	33%	13	62%	21	100%
3	Protest	10	45%	8	36%	4	18%	22	100%
4	Local	2	9%	1	5%	19	86%	22	100%
5	Elite	12	55%	2	9%	8	36%	22	100%
6	Muddle	6	27%	9	41%	7	32%	22	100%
Five Year Projection: Regional Sample									
		Decrease		No Change		Increase		Sum	
Scenario	*Type*	*Number*	*Percent*	*Number*	*Percent*	*Number*	*Percent*	*Total*	*Percent*
1	Armed	7	33%	9	43%	5	24%	21	100%
2	Criminal	1	5%	3	14%	17	81%	21	100%
3	Protest	6	29%	7	33%	8	38%	21	100%
4	Local	2	10%	2	10%	17	81%	21	100%
5	Elite	9	43%	5	24%	7	33%	21	100%

Figure 3: Regional Sample Estimated Conflict Risk by Scenario

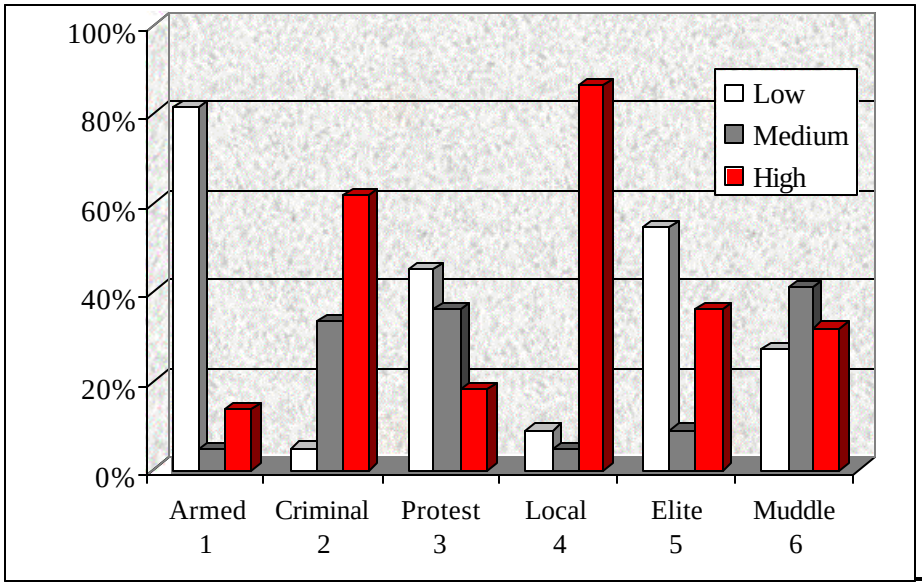
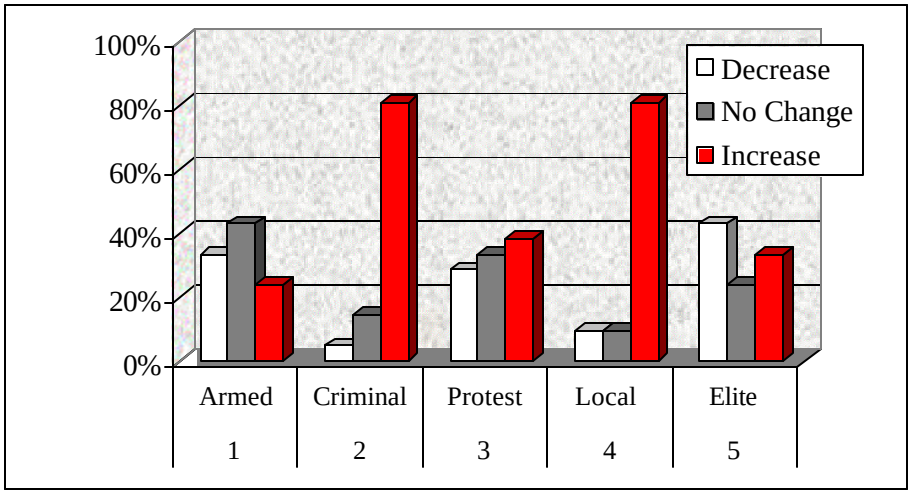


Figure 4: Projected Trend, Regional Sample



Overall Rankings

Table 4 aggregates scenario findings in a risk ranking, computed by taking the product of the percentage that evaluated the scenario as either medium or high risk and the percentage that evaluated the trend as rising over the next five years. The regional and national are almost identical, except that the elite scenario was considered more likely than the violent protest scenario in the national sample. The regional sample rated the protest scenario as more likely. Finally, Table 5 arrays the various scenarios in a single matrix, by projected risk and trend.

Table 4 Risk Rankings, National and Regional

National Sample Risk Ranking					
Scenario	*Type*	*Risk*	*Trend*	*Product*	*Rank*
1	Armed	0.14	0.24	0.03	6
2	Criminal	0.95	0.82	0.78	1
3	Protest	0.48	0.29	0.14	5
4	Local	0.87	0.50	0.44	2
5	Elite	0.67	0.44	0.29	4
6	Muddle	0.72	0.5	0.36	3

Risk Rank: National

1. Criminal Violence
2. Local Group Conflict
3. Muddling Through
4. Elite Violence
5. Violent Mass Protest
6. Armed Conflict

Regional Risk Ranking					
Scenario	*Type*	*Risk*	*Trend*	*Product*	*Rank*
1	Armed	0.18	0.24	0.04	6
2	Criminal	0.95	0.81	0.77	1
3	Protest	0.55	0.38	0.21	4
4	Local	0.91	0.81	0.74	2
5	Elite	0.45	0.33	0.15	5
6	Muddle	0.73	0.5	0.36	3

Risk Rank: Regional

1. Criminal Violence
2. Local Group Conflict
3. Muddling Through
4. Violent Mass Protest
5. Elite Violence
6. Armed Conflict

The purpose of developing the above risk ranking is to enable us, in Section VI, to develop and prioritize a set of programmatic recommendations for the Mission. We understand that it is not possible, given resource and other constraints, to address every conflict contingency regardless of the risk. A prudent strategy will therefore focus on the two scenarios deemed to be of highest risk: the criminal violence and the local group conflict scenario. In the next two sections, we summarize our conclusions and elaborate a prioritized list of recommendations that stem from the conclusions.

Table 5: Scenarios, Risk and Projections, National Level

Risk Projection 2002-2007	**Risk Level 2002**		
	Low	**Medium**	**High**
Decreasing ß			
Stable Û	Resumption of Armed Conflict **(Scenario 1)**	Mass, Violent Protest **(Scenario 3)** Muddling Through **(Scenario 6)**	Local, Group-on-Group Conflict **(Scenario 4)**
Increasing Ý		Elite Violent Power Struggle **(Scenario 5)**	Criminal Violence **(Scenario 2)**

F. CONCLUSIONS

The findings discussed above led the Team to draw the following conclusions:

1. Low intensity violence linked to crime, land conflicts, and conflicts among elites for power will continue and could worsen over the next five years if attempts to strengthen mediating institutions and law enforcement are not more successful. Increased organized crime and local conflicts are the likeliest scenarios that could lead to sustained violence over the next five years. A return to armed conflict on a national scale is unlikely, given the fatigue with armed struggle and the disappearance of organizations advocating a strategy aimed at toppling the state.

   The scenarios studied are distinct, but *not* mutually exclusive or exhaustive. Circumstances in which multiple scenarios coincide are certainly possible, as is a mixed outcome that incorporates elements of several scenarios. Whether *any* of these scenarios materializes depends not on any single factor but on a confluence of factors, including how the government handles grievances and the evolution of political processes.

2. Violent crime in Guatemala is linked to organized crime, drug trafficking, money laundering, kidnapping, influence-peddling and the like – a consequence of Guatemala's growing importance as a transit country for the regional flow of drugs and contraband into the United States and other destinations. For this reason, *region-wide* strategies to combat violent crime could be an effective mitigating approach, though this would require broader coordination among multiple actors.

3. While government *inaction* generates discontent, the aggressive application of certain laws with important social and economic consequences carries the risk of fueling sporadic, violent land conflicts, as in the clumsy attempts by authorities to enforce boundaries or protected areas. There was no evidence that USAID support for key legal reforms in Guatemala had inadvertently fueled violent conflict, though its support for conservation NGOs in places like the Petén could well have created the impetus for government actions that had the unintended consequence of generating sporadic rows with authorities in protected areas.

4. If viewed as fraudulent by the polity, or even unsatisfactory by certain vested interests, the upcoming electoral process could trigger an outbreak of violence. The Team could not find evidence, however, that fraud is more likely in the next elections than in previous contests, or that certain interests would not abide by an adverse outcome. If anything, the Team found that the likelihood of a successful coup had diminished over the last decade. Impunity and corruption could also be drivers of violent conflict.

5. A factor that affects overall conflict vulnerability is the limited state capacity relative to growing citizen demands for government action to push reforms and improve citizen well-being. The weakness of the state relative to citizen demands and greater citizen expectations in all areas could open up flash points of conflict, particularly criminal violence and land conflicts. Possibly mediating the state weakness is a partial recovery of revenues, though this has not yet translated into effective planning and spending strategies that could have an impact on conflict prevention.

6. A state sluggishly reconstituting itself has suffered setbacks in recent years, due to corruption, inertia and a shortage of resources, but is on a trajectory of reform and fiscal recovery that augurs improvement in state capacity and reduced conflict vulnerability. Revenue gains have yet to translate into effective spending that addresses underlying conflict vulnerabilities or strengthens state structures, however.

7. A push to implement specific reforms could generate a backlash of resistance among organized elites committed to thwarting reforms that adversely affect their economic interests. Again, there is no evidence that any USAID activity has inadvertently contributed to or exacerbated conflict conditions in Guatemala.

8. Economic conditions and an outdated traditional agricultural economy will continue to fuel conflicts at the local and national levels. Guatemalans have shown that they resort to violence after exhausting more peaceful means of expressing grievances. Without an effective rural development strategy to provide opportunities to impoverished Guatemalans, sporadic, violent conflicts are likely to continue. While the rural phenomenon is most critical, attention also needs to be paid to urban conditions. The eastern part of the country, which has not received much attention as a result of the peace process, should not be ignored.

9. The next five years are critical in regards to Guatemala's long-term prospects. If the country is unable to capitalize on the influx of support and resources as a result of the peace accords in order to consolidate advances and reforms, there is little reason to believe that such reforms will be forthcoming, fueling discontent and increasing the possibility of some form of violent conflict in the future.

G. RECOMMENDATIONS

The USAID/Guatemala program is already addressing many root causes of potential violence. This is not accidental; its strategy was intended to support the peace process and, indeed, has met with success in many areas. Some Mission activities that could have a long-term conflict-preventive impact are of more recent vintage, yet have yielded encouraging results. This suggests that the strategy is on the right track in addressing conflict prevention issues.

We recognize that the Mission is engaged in implementing programs that are beneficial from a democracy perspective but inherently risky from a conflict perspective (e.g., land titling, mass grave exhumations, human rights). Aware of these risks, the Mission has taken many precautions to mitigate violence resulting from its activities. This is as it should be; prudence should guide programming in post-conflict environments. The fact that some activities carry a conflict risk does not mean USAID should jettison elements of its support for the peace accords that have yet to be implemented. On the contrary, USG assistance in Guatemala should continue to support implementation of the accords.

We recommend, nevertheless, that the Mission modify its program and change in ways that could enhance conflict prevention without detracting from its other priorities. The following recommendations are organized in a rank order of importance for reducing conflict vulnerability. Each recommendation is followed by a discussion of related factors and possible options for implementation. It should be noted that while all recommendations are addressed to USAID/Guatemala, several indicate actions that must be taken by or in consultation with USAID/Washington as a precondition to decisions at the Mission level.

Priority 1 Recommendations.
These recommendations are high priority items. These items should be included into the new strategy if the Mission is to address conflict vulnerability.

1. Integrate crime prevention and personal security concerns in the USAID/Guatemala strategy 2004-2008, embracing both a community and an institutional approach, and begin groundwork now.

Discussion
This recommendation is designed to encourage the adoption of policies and programs that contribute to promoting and improving citizen security in the context of a democratic society. Central to this recommendation is that citizens, local authorities, civil society groups and others play a role in reducing and preventing crime and violence. Concomitantly, support for a nation-wide security concept based on democratic policing is critical, e.g., the development of professional police forces that are service-oriented, accountable to the law, transparent, and respectful of human rights.

Although citizens and experts rank concerns about security as a top priority, momentum for a viable criminal justice system is flagging, with negative implications for the consolidation of both the peace process and democracy. By assisting the government and civil society with judicious activities designed for maximum impact, and conducted in conjunction with democratic policies, USAID could play a role in fostering a stronger, more participatory approach to the rule of law in Guatemala. Support for community policing and other police reform components is

one set of approaches needed within a broader, more integrated vision of crime reduction, but does not exclude more immediate community level interventions and strategies that should be pursued in the new strategy.

USAID/Guatemala has not engaged in citizen security or community policing activities, and the entities currently providing police support (ICITAP and NAS) may be disinclined to support an integrated approach to reducing violent crime. If the Mission wishes to proceed with the initiative, then USAID/Washington should be involved in the broader agency and inter-agency discussion about how USAID could a) take on this role in Guatemala, b) work more closely with ICITAP and NAS to orient activities toward citizen security, or, alternatively, c) determine whether such activities should remain exclusively within the mandate of ICITAP and NAS.

USAID should work with ICITAP to assess openings to promote a more service- and community-oriented perspective among the PNC. However, the problem in Guatemala is not solely one of law enforcement, but a much broader community phenomenon. The PNC does not have national coverage, nor does it have the resources to provide much in the way of community outreach. *Ad hoc* community responses to crime, such as lynchings, will likely continue unless reliable mechanisms are established at the community level to deter criminal activities. Through its existing programs, USAID should consider supporting community policing and crime watch efforts taking into account the roles of municipal police forces. This would require the active direction of USAID/W to establish clearly the appropriate mandate for USAID in such activities. There are other initiatives in the region, most notably in Jamaica and El Salvador, that could provide important guidance and lessons learned were the mission to enter into this arena.

Were the USAID Mission to take on some of these responsibilities, it should consider a community and institutional approach, the details of which are outlined below:

<u>Community Approach.</u>

- Support a *community crime watch approach* to complement the efforts of an overburdened law enforcement system and empower communities to organize against crime. Such programs require collaboration among residents, law enforcement agencies, public officials, and local organizations, and typically rely on law enforcement officials to train crime watch group members to recognize and report any suspicious activities occurring in their neighborhoods. Group members are also trained in human rights, crime prevention techniques, and more. This approach works as part of a community policing concept, not as replacement for the police. It has the added virtues of helping local law enforcement while pressuring national institutions to coordinate; enhancing the reputation, credibility and local acceptance of police; possibly giving the police a more service-oriented perspective; and giving citizens a feeling of efficacy in providing safety in their communities.[47]

- Facilitate stronger community crime prevention in urban areas like Guatemala City, Quezaltenango, Escuintla, Izabal and high-crime rural areas like the Petén. *This recommendation implies expanding the geographic locus beyond that currently planned for the new strategy to include at least some of these areas, but only to the extent that it addresses crime and violence prevention.*

[47] The Mission would do well to consider extant, successful models of community policing. One useful source that evaluates various countries' experiences with community policing initiatives is a study by the Inter-American Development Bank (2002).

- Host regional training programs to encourage the exchange of crime watch information between law enforcement officials, provide residents and law enforcement with the most current crime prevention programs, and assist with means to implement strategies and projects. The training could also include crime prevention projects for youth, events aimed at promoting the benefits of community policing, community forums on crime-related issues, and "take back the community" initiatives.

- Work with NGOs and interested government partners to mount a highly visible campaign to raise public awareness of violence prevention and reduction approaches and to develop public and private capacities to manage conflict in the long-term, such as *"Dile NO a la violencia!,"* complete with media spots, and mascots/logos, etc.[48] The purpose of the campaign would be to fuel a policy debate on the consequences of violence, particularly criminal violence, and the means to address the problem. This kind of campaign could have multiple advantages. It could serve as a galvanizing theme for democracy-oriented NGOs that might strengthen that sector. It could be used to leverage a media program that focuses on criminal violence. It could also be used to hammer home the connections between conflict reduction and country risk on the one hand, and investment and employment on the other. Last but not least, it may actually have the effect of eliciting interest in a national priority.

Institutional Approach

- Support efforts aimed at improving strategic planning and resource deployment in the justice and police sectors, including the development of stronger mechanisms of accountability and oversight (internal controls, inspector general, etc), as well as external monitoring systems (citizens, NGOs, PDH) and community-police relations. USAID could also help investigate the feasibility of public support for decentralization and development of police forces, perhaps using a municipality or group of municipalities as pilot cases for a wider approach to the creation of a system of local civilian police forces that are financially supported by municipalities.

- Support improving information systems within the government that monitor crime and violence. This could include technical assistance to law enforcement in the area of crime data collection and management, crime mapping as well arms monitoring. One of the aims of this approach is to build political support and capacity within the government for greater coordination at the national level that could provide for more effective and trustworthy civilian police forces. These efforts could also be integrated into any conflict early warning system pursued in collaboration with national actors and supported by donors.

- Continue and if possible increase technical and other aid to the justice sector (Judiciary and Public Ministry) to boost their prosecutorial and investigative functioning. USAID support has maintained progress in implementing criminal justice sector reforms and should continue, especially if law enforcement capacities develop and the number of crimes reported, investigated and prosecuted increases, notably for more complicated cases with links to international or organized crime. USAID might also consider supporting a witness or judge protec-

[48] The Open Society Institute-Macedonia initiated a civic campaign called "Enough is Enough" in response to armed conflict. Using the period **('.')** as its logo, a large-scale media campaign was launched.

tion program to ensure that intimidation doesn't thwart justice if authorities move against organized crime.

- Increase support for the Justice Centers to expand them in number and to add a conflict prevention/community-policing component in high-risk areas prone to land conflicts and criminal violence. Work in collaboration with municipalities to develop long-term plans for sustainability.

2. Fortify land conflict resolution mechanisms and titling efforts, and particularly the institutional capacity of CONTIERRA, to manage increasing citizen demands to resolve land disputes and invasions.

Discussion:
USAID has provided modest support to CONTIERRA for technical studies to help resolve land conflicts. While some of these studies have led to resolution of long-standing conflicts, without strengthening the institutional capacity of this organization, and in the absence of an effective methodology for conflict resolution, the sustainability of the institution is at risk. USAID has recognized this fact and plans to invest in these areas over the next two years. However, the Mission should consider *tying increased support to specific performance benchmarks in this area*. As a first step, USAID could conduct an assessment of CONTIERRA (if this has not already been done) and also consult directly with OAS/PROPAZ, which has been working with CONTIERRA for a number of years.

This initiative was recommended by the United Nations, and could involve the following approaches:

- Strengthen coordination between the Technical-Legal Unit of PROTIERRA (the executive unit of the National Cadastre) and CONTIERRA; with the purpose of strengthening both entities in the determination of technical factors, intervening in the prevalence of conflict in those areas of Guatemala where the National Cadastre is not yet present.

- Strengthen CONTIERRA institutionally in terms of training and honing technical skills and capacities of personnel in mediation, conciliation and negotiation, with the short-term goal of establishing a national center or centers for land conflict mediation. This should be considered the point of departure for a process that broadens CONTIERRA's mandate, possibly through a legislative decree with the aim of transforming it into a *procuraduría agraria*. One interim strategy might be to support a consultative group whose charge would be to draft a viable law.

Priority 2 Recommendations
The Team considers these recommendations to be the second highest priority items in addressing the issue of conflict vulnerability. The Mission should integrate these recommendations into the new strategy, but not at the expense of Priority 1 recommendations.

3. Target income/job creation activities for high-risk populations designed not only to raise rural incomes in areas hard hit by the coffee slump, but also to support both public and private efforts to generate economic development in *urban* areas, particularly those that have been overrun by youth gangs.

Discussion

This should be viewed as an integrated effort, linking the Mission's economic development and democracy and governance portfolios in a single initiative. In this vein, consideration should be given to modifying the territorial scope of the new strategy (2004-2008) to include the departments most affected by violent crime. This would include the Petén and Izabal, though with a crime-related focus. We agree that the environmental management activities should not be a priority at this time.

4. Capitalize on the Mission's comparative substantive and geographic advantage by adding a new conflict awareness/management component to existing activities in key local communities.

Discussion:

A review of the Mission's SO 1 portfolio revealed that the Mission supports a myriad of existing local venues dedicated to democracy and governance in the Zona Paz. The Mission could modestly adjust these initiatives to promote creation of a cadre of specialized facilitators drawn from current programs who, in turn, would provide information and training to others in the areas where they work. As a first priority, this new component should target unemployed youth and school dropouts in rural areas.

Current programs that could incorporate a conflict management component include USAID-supported Justice Centers, Mediation Centers, municipal-level Technical Planning Offices, AMVA self-help groups, and municipal-level *Mesas Ciudadanas*. This coverage provides a comparative advantage for creating awareness of the dynamics and consequences of violent conflict, particularly among at-risk youth in rural areas, and for building skills needed to prevent and manage conflict. This recommendation is designed for the locations targeted by the Mission in both the current and future strategy, and also addresses the rural youth population described in the Parameters Paper.

An array of materials and techniques related to conflict management is already available, and would need only to be tailored for use. Moreover, specialists are on the scene and could facilitate the design of this new component. A first step might be for the Mission to convene key individuals from the relevant activities already in progress for the purpose of discussing/planning the addition of a conflict awareness and prevention component to their programs. This would include questions related to the specific objective of the effort, the preparation of facilitators from among current staff, information dissemination, training content, target populations, and so forth. Based on the outcome of those discussions and the specific objectives of the new component, the Mission could create a centrally monitored approach for managing this initiative and charting its progress. This could be done either by Mission personnel or by one of the organizations already under contract. It is envisioned that, in the future, this component could serve as a launching pad for the formation of local youth clubs which, provided recognition or other appropriate incentives, could participate in the activities described in other recommendations - i.e., public awareness campaigns ("Dile *NO!* a la Violencia"), early warning systems - and otherwise assist with efforts to prevent or mitigate the effects of violent conflict.

5. Explore existing models of conflict early warning systems to monitor and prevent conflicts at the local and national levels and evaluate the potential for establishing such a system in Guatemala.

Discussion:
An effective early warning system does not exist in Guatemala. To date, this role has largely been played by MINUGUA, which with nationwide presence has been able to alert government actors and civil society alike to potential and ongoing conflict situations in order to avoid further escalation. With the withdrawal of MINUGUA from the countryside, no other institution is qualified or capable of filling this role. USAID, jointly with other donors, could help develop an early warning system. Early warning activities could include supporting NGOs or government institutions in their efforts to collect information on the number and nature of land disputes and violent crime across Guatemalan territory and over time, in tandem with information on conflict mediation and law enforcement. Its purpose would be to establish a baseline and identify patterns or deviations from the baseline that indicate a growing susceptibility to violent conflict. The objective of having such a system would be to develop a nimble response capacity that could target interventions to areas of increasing risk.

In the short term, USAID/Washington should provide USAID/Guatemala with information pertaining to conflict early warning activities employed with success in East Africa and elsewhere, and now operating in Colombia. The capacity should be installed in a permanent institution, perhaps within the DICAI, which theoretically will have crime monitoring and other statistics related to violent conflict as part of its mission.

6. Continue support for local mediation centers to expand their work and develop methods to sustain them. Consider support to create additional independent conflict centers or mediation centers to provide coordination among and training for mediators.

Discussion:
USAID-sponsored rural mediation centers provide a mechanism for the resolution of conflicts outside of the formal justice sector. These should be expanded and plans developed for their long-term sustainability. A method to coordinate the variety of mediation options available and to help strengthen local organizations working in this area is still lacking. One such nascent effort is the *Instituto de Transformacion de Conflictos*, which is housed in URL. USAID could establish a conflict center responsible for maintaining information on conflicts, providing a neutral space for conflict mediation and resolution, and also provide training in conflict resolution. Also to be considered is the creation of an academic program in conflict prevention, management, and mediation.

Appendix C describes the existing conflict mediation and mediation training capacity in Guatemala, both within and outside of the government. This is intended as a point of departure for an expansion of USAID-sponsored conflict mediation activities.

7. Support dissemination of regional best practices in police and law enforcement reforms across Central America, exploring approaches to improve regional coordination to address international crime and the root causes of conflict through diplomatic and program cooperation. Investigate whether a regional, G-CAP-led effort to address crime and conflict is viable. USAID/Washington should take the lead in developing and authorizing such an approach.

Discussion:
Given the seriousness of organized crime throughout Central America, and recognizing that a **regional crime initiative would require USAID/Washington involvement**, USAID/G-CAP should have a central role in sponsoring a Central American crime initiative, which could improve coordination between government agencies (i.e., immigration, police, etc.) and lead to the possible formation of a regional strategy to combat international crime. The US Ambassador in Guatemala has shown interest in approaching crime in Central America from a regional perspective. Regional programs in the LAC Bureau will support other early efforts. LAC could also sponsor the feasibility study to determine whether a G-CAP-led effort is viable. While a difficult undertaking, a regional approach to crime prevention could have an important impact on regional development. With economic initiatives such as the FTAA, *Plan Puebla Panama*, CAFTA, and others, there are new opportunities for governments to work together to achieve common goals.

Priority 3 Recommendations.
These recommendations are the third highest priority items. If the Mission is committed to shifting additional resources to address the issue of conflict vulnerability, it could consider implementing these recommendations, though not at the expense of the Priority 1 and Priority 2 recommendations.

8. Evaluate program models for individual development and job training that could be expanded to target youth specifically at risk for entering into illegal activities.

Discussion:
USAID currently supports various activities that work directly with youth within each SO. The Mission should consider providing additional training to these young people, particularly those at high risk, in order to deter their incorporation into gangs. Youth should also be targeted to receive conflict mediation training. The new Youth Leadership and Skills Development project should specifically address conflict themes in its training program and be considered as a possible model for individual development and job training targeting youth at risk. Other interesting models to examine are the Peace Corps' Rural Youth at Risk project, the "*casa de la mujer*" model (including computer/job training, health, education/literacy, conflict prevention skills), and others.

9. Support early electoral support efforts and monitoring of the electoral process to reduce the possibility of any election-related violence.

Discussion:
As a recognized possible trigger, free and open elections in 2003 and the smooth transition to the new government are critical to avoid the eruption of violence. This effort should also include an important component of consultation with other donors, most notably MINUGUA and OAS to help design an integrated elections approach.

USAID should aim at strengthening the electoral process from the campaign to the count, ensuring maximum transparency and fairness to all participants. This could include technical assistance to the TSE, supporting a new voter registration system that would create a registry by domicile, and support for the creation of a unitary identification document as has been done with great success elsewhere. While recognizing that the Mission has set aside US$1 million for elections, the Team noted the absence of a strong civic organization that could organize a domestic monitoring effort for the next election cycle. In the short term, however, it might be prudent to

facilitate collaboration between interested NGOs and the entities that will ultimately be involved in monitoring the elections. USAID Guatemala could also consider technical and financial assistance to an NGO or coalition of NGOs, as it has done in other countries, that would play a role in ensuring the integrity of the electoral process. Guatemalan NGOs could benefit greatly from the example of Peru (*Transparencia*) as well as similar efforts in other countries in the region that have created a superb domestic monitoring capability in very difficult contexts.

10. Assert leadership to orient and coordinate international or regional donor efforts to address conflict, crime and violence reduction.

Discussion:
USAID is not the only donor with an increased interest in conflict issues, as other donors such as the UNDP, DFID, and the World Bank have all recently completed conflict assessments in Guatemala and are contemplating programmatic adjustments to combat the threat of rising criminal violence and other forms of violent conflict. While there has been some coordination to date, each institution is pursuing its own agenda. With decreasing funding levels, donors must coordinate in order to avoid duplication of effort. USAID could initiate a dialogue with other donors and national actors to develop a conflict working group to share experiences and design a longer-term strategy aimed at reducing organized and street crime, gang violence, and other forms of conflict. The group could examine possible openings for specific crime prevention and reduction strategies in conjunction with the private sector, local governments, and police. This is particularly important as MINUGUA is about to terminate its activities. This effort should not be limited to the donor community, but actively engage the government in open dialogue and consultation. The recent creation of the *Unidad Presidencial de Resolucion de Conflictos* (UPRECO), notwithstanding its more recent operational difficulties, indicates that the time may be right to engage the government to work on a wide conflict prevention and management campaign.

ANNEX A: PROTOCOL & INSTRUMENT

USED IN DATA COLLECTION, SCENARIO DEVELOPMENT EXERCISE

I. Presentarse

Quiénes somos: un equipo de 6 personas que incluye representantes de USAID/ Washington, USAID/Guatemala y especialistas externos contratados por una firma consultora privada de EE.UU. (MSI – Management Systems International) Propósito: Realizar un estudio analítico sobre el posible surgimiento de conflictos violentos en los próximos 5 años y su impacto sobre la programación de USAID/Guatemala en el corto y mediano plazo.

II. Explicar la Metodología

Se basa en un marco analítico desarrollado por USAID/ Washington que se emplea para formular posibles escenarios en los países estudiados, utilizando datos secundarios de los informes ya disponibles. En el caso de Guatemala, un estudio preliminar identificó 6 escenarios posibles. Nuestra tarea ahora es comprobar la factibilidad de estos escenarios mediante consultas con representantes claves como Ud. de los principales sectores. Específicamente, nos interesa saber su opinion sobre dos puntos fundamentales para cada escenario:

- El nivel de riesgo – Bajo/Mediano/Alto
- La tendencia – Ascendiente/Igual/Descendiente

También, después de revisar las 6 alternativas, nos interesa saber si Ud. considera más factible algún otro escenario o combinación de factores.

III. Mencionar los Escenarios Preliminares

A. Nuevo Conflicto Armado
B. Escalada de Violencia Criminal
C. Protesta Masiva Sostenida, Violenta
D. Conflicto Local de Gupo Contra Grupo
E. Lucha Violenta de Elites para el Poder
F. Salir del Paso sin Saber Cómo

Para cada caso, le vamos a mencionar ciertos factores descriptivos, seguido por los posibles Conductores, Detonantes, y Factores Inhibitorios que se han identificado.

IV. Repasar los 6 Escenarios (usar el anexo)

V. Concluir la Entrevista

Solicitar sugerencias/recomendaciones para la comunidad internacional para prevenir el brote de conflictos violentos. Agradecer la colaboración y el tiempo brindado.

Escenario 1: Nuevo Conflicto Armado

Características: Grupo(s) organizado(s), armado(s), con metas y estrategia políticas
Actores: Guerrilla(s), PACs, otros grupos armados
Blanco: Gobierno
Metas: Derrocar al gobierno, tomar el poder, cambiar el régimen actual
Alcance: Localizado, rural
Participación: Moderada: combatientes con bases locales de apoyo

Escenario 1: Posibles Conductores

- Condiciones institucionales/políticas
  - ◊ Debilidad del gobierno central y de la autoridad regional/local en las zonas del conflicto anterior.
  - ◊ Bajos gastos gubernamentales en áreas afectadas por el conflicto anterior.
  - ◊ Debilitamiento del compromiso con el proceso de paz de parte de élites claves.
  - ◊ Frustración de las altas expectativas de reformas generadas por los Acuerdos sin cumplir.
  - ◊ Impunidad para los violadores de DDHH.
  - ◊ La percepción que las autoridades son corruptas.
  - ◊ Reactivación de algunos elementos de las PAC y otros grupos armadas.
  - ◊ Anteriores combatientes desmobilizados no integrados (relacionado con la falta de oportunidades económicas)
- Movimiento y cambio de poblaciones
  - ◊ Desplazamiento causado por el conflicto
  - ◊ Migración de retorno
  - ◊ Tránsito fronterizo de la población
- Factores sociales y económicos
  - ◊ Reducidas oportunidades; desempleo urbano/rural alto y creciente.
  - ◊ Conflictos no resueltos sobre tenencia y uso de la tierra en áreas rurales
  - ◊ Pobre desempeño en general, bajo crecimiento (aunque baja inflación).
  - ◊ Salarios reducidos en áreas rurales.
  - ◊ Bajos precios de café y otras exportaciones.
  - ◊ Desigualdades con relación a tierra e ingresos.
  - ◊ Actividad económica ilícita (tráfico de drogas, etc.).
- Factores Externos
  - ◊ Redes criminales transnacionales (drogas, armas, contrabando)
- Disponibilidad de armas pequeñas

Escenario 1: Posibles Detonantes

- Salida de MINUGUA en 2003
- Campaña electoral y cronograma de elecciones en 2003
- Graves violaciones de derechos humanos
- Incitación partidaria a violencia por los medios de comunicación
- Cambios de funcionarios, agentes de fiscalización y/o gabinete.

Escenario 1: Posibles Factores Inhibitorios

- Estabilidad macroeconómica (baja inflación, crecimiento modesto)
- Influencia refrenante de fatiga de conflicto violento
- Migración de jóvenes hacia fuera
- Remesas de fuera
- Gobierno local y especialmente la elección de alcaldes locales indígenas
- Integración y comercio regional (?)
- Falta de organización de actores tradicionales (guerrilla y PAC)

  Calificación:
  - o Riesgo: Bajo_____; Mediano_____; Alto_____
  - o Tendencia: ⇑_____; ⇔ _____; ⇓_____

Escenario 2: Escalada de Violencia Criminal

Características: Organización limitada, no dirigida a la toma de poder

Actores:	Individuos, maras/pandillas, actores paramilitares (PAC), bandas de crimen organizado
Blanco:	Civiles y oponentes gubernamentales
Alcance:	Urbano/rural
Metas:	Venganza, control del territorio propio, oportunidades de buscar pagos
Participación:	Mínima

Escenario 2: Posibles Conductores

- Factores económicos
  - Subempleo y desempleo de la juventud urbana y rural
  - Salarios cada vez más reducidos para los trabajadores agrícolas
  - Crecimiento de actividad económica ilícita (drogas, contrabando)
  - Integración y comercio regional (?)
- Factores políticos e institucionales
  - Débil capacidad del estado en muchas dimensiones (aplicación de la ley; PNC)
    - Administrativa, Aplicación de la Ley, Infraestructura, etc.
    - Capacidad fiscal limitada (ingresos, egresos)
  - Falta de presencia policial efectiva y creible en ciertas áreas
  - Bajos gastos gubernamentales en zonas del conflicto anterior
  - Ambiente de impunidad fomentado por el débil sector judicial
  - Corrupción en instituciones claves (v.gr., aduana, autoridades impositivas, policía, cortes)
- Débil control estatal de las fronteras

Calificación:

- Riesgo: Bajo_____; Mediano_____; Alto_____
- Tendencia: ⇑_____; ⇔ _____; ⇓_____

Escenario 3: Protesta Masiva Sostenida, Violenta

Características:	Protesta sostenida (más de un sólo día), empleando violencia como táctica, participación masiva "auspiciada" por grupos élites
Actores:	Estudiantes, grupos cívicos o sindicales, coaliciones o asociaciones
Blancos:	Gobierno, funcionarios públicos, propiedad pública o privada
Alcance:	Nacional, urbano
Participación	Masiva

Escenario 3: Posibles Conductores

- Factores económicos:
  - Desempleo alto y creciente en áreas urbanas
  - Falta de oportunidades para jóvenes adiestrados como no adiestrados
  - Salarios cada vez más reducidos, beneficios sociales perdidos
- Factores políticos e institucionales
  - Baja confianza en las instituciones gubernamentales
  - Fragmentación de los partidos politicos (división del PAN, posible decaimiento del FRG)
  - Percepción que las autoridades son corruptas
  - Crecimiento de criminalidad urbana, percepción que no se puede confiar en las autoridades para aplicar la ley

Posibles Detonantes:

- Proceso electoral discutible; elecciones fraudulentas
- Violaciones de derechos humanos
- Políticas que afectan negativamente los intereses económicos organizados clave (v.gr., IVA)
- Políticas duras de reajuste que afectan los ingresos o ahorros
- Comportamiento de élites

Calificación:

- Riesgo: Bajo_____; Mediano_____; Alto_____
- Tendencia: ⇑_____; ⇔ _____; ⇓_____

Escenario 4: Conflicto Local de Grupo Contra Grupo

Características: Violencia cometida por un grupo contra otro, disputas localizadas en lugar de guerra étnica generalizada. Podría tratarse de conflictos sobre recursos (tierra, agua, bosque)
Actores: Individuos, grupos intercomunitarios
Blancos: Miembros de grupos étnicos o los grupos mismos
Alcance: Local
Participación: Mínima

Escenario 4: Posibles Conductores

- Factores politicos e institucionales
  - ◊ Indiferencia/hostilidad del gobierno hacia las demandas étnicas, culturales (v.gr., multilingüismo).
  - ◊ Congreso dominado por el FRG resiste el AIDPI.
  - ◊ Ausencia del Estado en algunos departamentos.
  - ◊ Falta de capacidad de mediar.
  - ◊ Falta de autoridades creíbles y respuestas coherentes.
  - ◊ Movimiento indígena politicamente activo que demanda reconocimiento de sus derechos e identidad.
  - ◊ Radicalización de las organizaciones campesinas que presionan para los derechos indígenos (v.gr., CONIC).
  - ◊ Frustración de las organizaciones indígenas al no lograr las reformas prometidas en los Acuerdos.
  - ◊ Incapacidad de la PNC.
- Factores Económicos y Sociales
  - ◊ Desigualdad en cuanto a la tierra y la tenencia de la tierra como su uso.
  - ◊ Exclusión continua de organizaciones mayas de la política nacional.
  - ◊ Desempleo alto y creciente en áreas urbanas.
  - ◊ Falta de oportunidades para jóvenes adiestrados y no adiestrados.
  - ◊ Salarios decrecientes para los trabajadores agrícolas.
  - ◊ Crecimiento de actividad económica ilícita (drogas, contrabando).

Escenario 4: Posibles Factores Inhibitorios

- Esfuerzos para establecer un partido politico pluricultural compuesto de mayas y ladinos.
- Fragmentación de COPMAGUA como fuerza mobilizadora presionando a favor de derechos indíginas.

Calificación:

- o Riesgo: Bajo_____; Mediano_____; Alto_____
- o Tendencia: ⇑_____; ⇔ _____; ⇓_____

Escenario 5: Lucha Violenta de Elites para el Poder

Características: Competencia de élites para el poder que involucra el uso de violencia, poca participación masiva (golpes, conflictos de milicias/paramilitares, etc.)
Actores: Grupos politico-económicos vinculados con grupos armados privados
Blancos: Gobierno, otros grupos élites
Meta: Fomentar inestabilidad, provocar un golpe
Alcance: ASD (nacional)
Participación: Mínima participación masiva abierta

Escenario 5: Potenciales Conductores

- Condiciones políticas e institucionales
  - ◊ Debil sistema judicial.
  - ◊ Ausencia de instituciones del estado en muchas áreas.
  - ◊ Crecimiento de corrupción entre los funcionarios públicos.
  - ◊ Declinación de influencia de las fuerzas armadas en la política nacional (?).
  - ◊ Funcionamiento del Congreso actual.

Calificación:

- o Riesgo: Bajo_____; Mediano_____; Alto_____

- Tendencia: ⇑_____; ⇔ _____; ⇓_____

Escenario 6: Salir del Paso sin Saber Cómo

Este escenario simplemente proyecta más de lo mismo: la continuación de episodios de violencia localizada en algunas áreas rurales, pero sin mayores conflagraciones violentas en esas áreas, ni la expansión de conflictos más allá de dichas áreas.

Calificación:

- Riesgo: Bajo_____; Mediano_____; Alto_____
- Tendencia: ⇑_____; ⇔ _____; ⇓_____

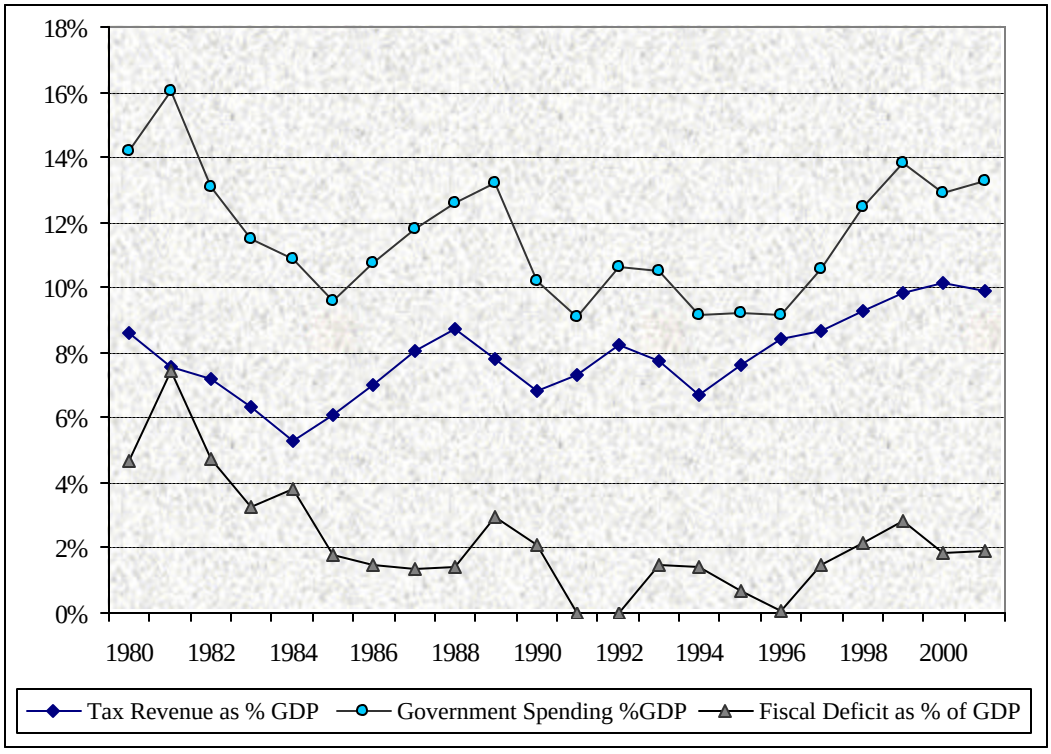
ANNEX B: EMPLOYMENT, PUBLIC FINANCE TRENDS

Table 6: Employment Trends in Guatemala, 1985-2000

Year	Economically Active Population (EAP) >10 Years Old	Total Formal Sector Employment	Formal Sector Employment % of EAP	Agriculture Employment	Agriculture Employment as % Total Employment	Non-Agricultural Employment	Non-Agricultural Employment as % Total Employment
1985	2,133,120	631,654	30%	233,572	37%	398,082	63%
1986	2,201,305	660,444	30%	239,107	36%	421,337	64%
1987	2,271,669	678,995	30%	254,220	37%	424,775	63%
1988	2,344,282	779,560	33%	259,038	33%	520,522	67%
1989	2,419,217	788,367	33%	291,467	37%	496,900	63%
1990	2,496,546	785,753	31%	279,234	36%	506,519	64%
1991	2,573,431	786,903	31%	237,488	30%	549,415	70%
1992	2,652,681	795,708	30%	221,168	28%	574,540	72%
1993	2,734,549	823,239	30%	214,639	26%	608,600	74%
1994	2,819,263	830,324	29%	205,500	25%	624,824	75%
1995	2,907,016	855,596	29%	224,329	26%	631,267	74%
1996	2,984,874	852,243	29%	204,374	24%	647,869	76%
1997	3,064,820	844,407	28%	212,808	25%	631,600	75%
1998	3,146,904	887,228	28%	203,975	23%	683,253	77%
1999	3,231,186	893,126	28%	184,292	21%	708,834	79%
2000	3,317,726	908,122	27%	169,022	19%	739,100	81%

Source: Banguat, *Boletin Estadistico*, 2001.

Figure 5: Public Finances, 1980-2001 (Source: Banguat)



ANNEX C: EXISTING MEDIATION CAPACITY IN GUATEMALA (SPANISH)

En el marco de la situación descrita, se percibe que la capacidad instalada en el país para la atención de la conflictividad social se puede subdividir en tres aspectos fundamentales: a) institucionalidad gubernamental; b) capacidad desde las Organizaciones de la Sociedad Civil; y, c) Programas de capacitación en métodos alternativos de resolución de conflictos.

Institucionalidad Gubernamental:

Con la puesta en vigencia de un nuevo texto constitucional en 1985, se crea una de las más importantes instituciones de garantía de los derechos inherentes a la persona humana lo constituye la Institución del Procurador de los Derechos Humanos que, en la práctica, se ha constituido en la primera agencia gubernamental que trabaja institucionalmente el área de la resolución alternativa de conflictos. Entre sus fortalezas se encuentra el hecho de que tiene presencia institucional a nivel nacional y que mucho de su personal habla el idioma local, lo que tiene un alto significado en cuanto a que los elementos socioculturales son utilizados para la resolución de los conflictos. Sin embargo, entre sus debilidades, se puede establecer el nivel alto de politización en el que han incurrido sus principales autoridades y sus delegados departamentales, lo que ha incidido en una baja captación de recursos financieros para llevar a cabo su misión.

En cuanto a la institucionalidad gubernamental creada para la atención de la conflictividad, luego de la suscripción de los Acuerdos de Paz, sobresale la creación de la Dependencia Presidencial de Asistencia Legal y Resolución de Conflictos sobre la Tierra, institución que desde su creación en 1997, ha atendido a cerca de 1500 casos. Sin embargo, algunos estudios hechos por agencias de cooperación, indican que entre sus debilidades se aprecia la dificultad para medir el nivel de satisfacción de los beneficiarios, no cuenta con suficiente financiamiento para el recurso humano, no cuenta con metas establecidas en cuanto a la resolución de conflictos, no cuenta con un despliegue territorial adecuado y acorde a la territorialidad de la conflictividad en Guatemala; y, por último, no tiene claramente definido la temporalidad de su mandato.

El Gobierno de la República de Guatemala, mediante Acuerdo Gubernativo creó la Unidad Presidencial de Resolución de Conflictos –UPRECO-, con la asistencia técnica de MINUGUA y del programa OEA/PROPAZ, con el propósito de atender la conflictividad social del país en consideración al carácter multicausal del origen de los conflictos. Esta Unidad esta conformada por la acción conjunta de cinco Secretarías de Estado: Ejecutiva de la Presidencia, Análisis Estratégico, Asuntos Agrarios, Comisión Presidencia de la Política del Ejecutivo en Materia de Derechos Humanos, de la Paz, y la de Planificación y Programación.

Aunque no se cuenta con estadísticas en cuanto al trabajo de UPRECO, se puede estimar que un alto porcentaje de su trabajo está centrado en conflictos cuya causa principal se refiere a disputas vinculadas a la propiedad de la tierra, lo que de alguna manera revela la incapacidad de la instancia específica (CONTIERRA) para la concreción de las alternativas de solución a los conflictos vinculados a esta temática.

La creación del Centro de Mediación y Conciliación por parte del Organismo Judicial, se constituye un paso importante en la construcción e implementación de mecanismos alternativos de resolución de conflictos. La Importancia del Centro de Mediación y Conciliación, lo constituye el hecho de que basa su qué hacer en los elementos socioculturales, basados en el patrón cultural de las comunidades atendidas, para la resolución de conflictos, así como el hecho de que su personal habla el idioma de la comunidad. Sin embargo, una de sus debilidades consiste en que no cuenta con una base de datos de todos los casos de conflictos atendidos y que su cobertura todavía es sumamente escasa.

Derivado de la suscripción de los Acuerdos de Paz y para su cumplimiento, se han creado otros espacios de concertación tales como las Comisiones Paritarias. En dichos espacios se han concertado los grandes temas de la institucionalidad de la paz, lo que ha tenido algún impacto en cuanto al abordaje de la conflictividad.

En consideración a las características peculiares de la conflictividad y ante una eventual incapacidad institucional para atenderla, el Gobierno de Guatemala se ha visto obligado a conformar otros espacios tales como la Comisión Especial entre el Gobierno y la Coordinadora Nacional de Organizaciones Campesinas –CNOC-, fin de atender casos puntuales, así como aspectos particulares de la conflictividad vinculada a la tierra. En términos similares se ha creado la Comisión de Alto Nivel para Atender la Problemática de la Vivienda, ante la plena incapacidad de la institucionalidad específica para atender dicha problemática.

Centros dedicados a la Capacitación para la resolución alternativa de conflictos:

Desde el proceso de búsquedas de alternativas de solución a la guerra interna, se conoce en Guatemala el trabajo de diversas instituciones cuyo origen esta vinculado a los servicios de cooperación internacional. En este sentido uno de los programas más antiguos en esta temática es Programa PROPAZ de la Organización de Estados Americanos, quienes han impulsado una metodología de intervención, no solo en resolución de conflictos propiamente dichos, sino en áreas tales como facilitación de diálogos y construcción de consensos. De igual manera el Centro Canadiense de Estudios y Cooperación Internacional –CECI-, desarrolla programas vinculados a la capacitación en esta temática, siguiendo el esquema de la Escuela de Harvard.

En el campo académico propiamente dicho, únicamente la Universidad Rafael Landivar contiene en su seno dos programas vinculados a la temática que nos ocupa. Se trata del Programa Participación y Democracia que basa su quehacer en la idea de que el diálogo multisectorial en las áreas de gobernabilidad, multiculturalidad y desarrollo, son la base para la consolidación democrática en Guatemala. Para tal efecto, trabaja en alianza con IDEA Internacional. El otro Programa es la creación, por parte de dicha Universidad del Instituto –INTRAPAZ-, que ha generado metodologías de intervención y atención de la conflictividad en el ámbito laboral y social en general.

Organizaciones de la Sociedad Civil:

El conjunto de Organizaciones de la Sociedad Civil no han desarrollado esquema institucional para la atención de la conflictividad, sino que, por el contrario, se han convertido en las principales usuarias de los servicios de capacitación en esta temática que han servido organizaciones internacionales, con el propósito de garantizar para sí destrezas y habilidades en el tratamiento de la conflictividad.

A manera de balance final, se puede afirmar que la capacidad instalada en términos de la atención para la resolución de conflictos en Guatemala enfrenta más debilidades que fortalezas. En este sentido las principales limitaciones dentro de la institucionalidad gubernamental, lo constituye la falta de financiamiento para la capacitación del recurso humano, realización de estudios técnicos y mayor cobertura a nivel territorial. De igual manera se percibe la falta de institucionalización de los procedimientos que sistematicen el trabajo efectuado, así como dificultades para medir el nivel de satisfacción de sus usuarios.

ANNEX D: PERSONS CONTACTED

USAID/GUATEMALA

George Carner, Director
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Carrie Thompson, Director, Program Development and Management Office
Todd Amani, Director, Office of Democratic Initiatives, and Team Leader members Sharon VanPelt, Lucia Salazar Steve Hendrix, and Sergio Pivaral
Brian Rudert, Director, Office of Income and Natural Resources, and Team members Bernai Velarde, Julia Asturias, Carlos Chacón, Claudia Pastor and Glenda Paiz
Wendy DuFlon, Education Office
Ed Scholl, Health Office

OTHER U.S. GOVERNMENT REPRESENTATIVES

Prudence Bushnell, U.S. Ambassador to Guatemala
Steven McFarland, Deputy Chief of Mission, U.S. Embassy
David Lindwall and staff, Political Section, U.S. Embassy
Shawn Burkhead, DEA
John Daughtry, MILGROUP
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John Anderson, ICITAP

INTERNATIONAL ORGANIZATIONS

IIDH, Roberto Cuellar, Director
Inter-American Development Bank, Carlos Barbery, Representative
MINUGUA, Raúl Rosende
IOM, Gunther Mussig
UNDP, Patricia O'Connor
World Bank, Mario Marroquín Rivera, Social Development Specialist

GUATEMALAN GOVERNMENT

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Comisión de Tierra, María Aguja
CONTIERRA, Rosario Pú
FONTIERRA, Sergio Mollinedo
Ministerio de Educación, Demetrio Cojtí Cuxil, Viceministro Técnico
Ministerio de Gobernación, Adolfo Reyes, Viceministro
PROTIERRA, Caril Alonso, UTJ
SAE, Antoni Mosquera
Secretaría de la Paz, Gabriel Aguilera Peralta, Secretario & Ana María Diéguez, Subsecretaria
SEGEPLAN, Miguel VonHoegen

GUATEMALAN NGOs

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Acción Ciudadana, Violeta Mazariegos, Deputy Director
AGAAI, Valentín Tavico, Executive Director
ANACAFE, Luís Fernando Montenegro Flores, President & Eduardo Sperisen-Yurt, Executive Director

ANAM, Mario Barrios, Secretario Técnico
Cámara del Agro, Roberto Castañeda & Patricia Monge
COPMAGUA/CNP-Tierras, Sergio Funes
CTEAR, Carlos Sosa
CTC, Jesús Godinez
CIEN – Participants at CIEN Conference on Violence in Guatemala
CGTG, José E. Pinzón, General Secretary, Alberto Ramírez & Rigoberto Dueñas, Officials
Defensoría Maya, Juan León Alvarado, Director Ejecutivo
Fundación Guillermo Torriello, Enrique Corral
Fundación Menchú, Eduardo de León
GAM, Mario Polanco
IPES, Arnoldo Noriega, Director General
FLACSO, Bernardo Arévalo de León, Coordinator of the Program on Security & the Armed Forces
OEA/PROPAZ, Carlos Sarti Castañeda, Technical Director

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Prensa Libre, Haroldo Shetumul
Universidad del Valle, Roberto Moreno
Universidad Raúl Landívar, Gonzalo de Villa, Rector & Carla Villagrán, Director of Intrapaz
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Catalina Soberanis, Political Scientist

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